

# IDAHO EMPLOYMENT

**IDAHO**  
COMMERCE & LABOR

*A monthly newsletter of Idaho Commerce & Labor*

Volume 19.1

January 2007 Issue/November 2006 Data

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## State Overview

### IDAHO'S NOVEMBER UNEMPLOYMENT RATE AT 3.3 PERCENT

Idaho's seasonally adjusted unemployment rate for November increased slightly to 3.3 percent, up a tenth of a percentage point from October. This continues a historic streak of 19 straight months with an unemployment rate below 4 percent and signifies the economy's continued strength and stability.

The state unemployment rate was also below the national rate of 4.5 percent, which increased from 4.4 percent in October. Idaho's monthly unemployment rate has stayed in a narrow range throughout 2006, shifting between a high of 3.6 percent in July and a low of 3.2 percent in March and October.

November's unemployment rate was two-tenths of a percentage point below the 3.5 percent rate experienced one year earlier.

The number of people working in November jumped 6,100 to a record 739,600 while those unemployed rose more than 1,500 to 25,500. The number of workers without jobs has now been at or below 27,500 for the past four months.

Nearly 7,700 workers entered the labor force in November, bringing it to a record 765,100.

Since November 2005, Idaho's labor force has increased 19,400, or 2.6 percent, while the number of people employed was up 20,200, or 2.8 percent. The number of people out of work was down by 800, or 3 percent, over the year.

By comparison, the labor force nationally was up 1.5 percent with employment 2.1 percent higher over the past year.

During the past 29 years, Idaho's October-to-November unemployment rate has decreased nine times an average of one-tenth of a percentage point. It remained unchanged 13 times and increased seven times an average of one-tenth of a percentage point. This narrow band of movement reflects several strong seasonal influences such as the slack period between summer and winter recreation seasons, the end of the crop growing and harvesting period, retail buildup for the holiday season and the onset of cold or wet winter weather. When these factors occur and in which combinations will affect the state's unemployment rate.

### AREA AND COUNTY LABOR FORCE HIGHLIGHTS

*State Table 1 on page 3 provides the month's labor force statistics for Idaho counties, designated labor market areas and selected cities.*

Only one Idaho county recorded a double-digit unemployment rate for the second time this year. Boundary County's rate of 10.6 percent in November was the highest in the state, primarily a result of layoffs in the lumber indus-

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try. Clearwater County at 8.8 percent and Benewah County at 8.6 percent followed. Both rely heavily on natural resource industries.

The lowest county unemployment rate in November was 1.8 percent in Teton. Fifteen additional counties reported rates less than 3 percent. These counties are located in southern and eastern Idaho. One year ago there were 12 counties at or below 3 percent.

The Grangeville Small Labor Market Area had the highest November unemployment rate at 5.5 percent among the state's 10 labor market areas. This north central area's unemployment rate has been the highest of the 10 areas all year, ranging from 4.8 percent in March and April to 6.5 percent in July.

## NONFARM PAYROLL JOBS

*State Table 2 on page 5 provides state industry employment data for the current month, previous month and one year previous.*

During November, Idaho had less than one available worker for every advertised job in the state, according to the Conference Board, a nationally recognized economic analysis research group. Only seven other states had lower ratios. This situation contributed to the gain of only 600 nonfarm jobs between October and November. There were the usual seasonal job losses in agriculture, construction, federal and state government and leisure and hospitality. The number of jobs in agriculture dropped about 10,000 as fieldwork and harvest activities ended. Construction activity normally slows this time of the year as the weather gets colder and outdoor work is limited. Reports indicated this occurred across the state, but construction activity remains at pre-2005-boom levels.

Federal and state government jobs begin to decrease in November as many temporary summer and fall jobs end. Leisure and hospitality jobs are normally down during the break between the summer and winter tourist seasons. The decline is felt not only in recreation but also in restaurants. Early snow allowed some Idaho ski resorts to open near Thanksgiving, but snow must continue to fall statewide throughout the winter for Idaho's summer irrigation outlook to improve.

Significant increases in jobs during November occurred in retail trade and education. Many public schools adjusted to larger-than-expected enrollments, and private colleges and universities brought students onto payrolls. Preliminary reports indicated holiday sales were off to a good start in November.

The majority of the October-to-November job losses occurred in the goods-producing industries, which declined by 1,500 due mostly to seasonal factors. But these industries remained strong as the year-over-year gain of 8,700 jobs indicates. Construction jobs numbered 55,500 in November, down 700 from October but 6,800 more than November 2005. Of those jobs, 13,300 were involved in the construction of buildings that included new work, additions, alterations, maintenance and repairs. Any subcontracted work is included in the specialty trade contractors sector — the largest construction sector — and it claimed 35,600 jobs. Although that is down 200 from October, it is 4,800 more than one year earlier, making it the fastest-growing construction sector. Within the specialty trade contractors sector, building equipment contractors was the largest subsector with 10,500 jobs in November, 36 percent of the specialty trade contractors jobs and 23 percent of all construction jobs. Workers in this subsector are involved in installing or ser-

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*IDAHO EMPLOYMENT is produced by Idaho Commerce & Labor which is funded at least in part by federal grants from the U.S. Department of Labor. Costs associated with this specific publication are available by contacting Idaho Commerce & Labor. Questions and comments can be directed to Public Affairs by phoning (208) 332-3570, ext. 3220, or by e-mail to:*

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licing equipment that forms part of a building's mechanical system such as electrical, water, heating and cooling. These workers may also install elevators, service state equipment and central vacuum cleaning systems. Foundation, structure and building exterior contractors were the second largest group at 9,400 workers. This group includes trades needed to complete the basic structure of buildings, the foundation, frame and shell. As the number of building permits and new home sales slow, construction activity is returning to normal levels following two years of phenomenal growth.

Food manufacturing also reported significant job losses, down by almost 900 from October. The majority of the decrease was in sugar processing. The number of workers drops off in November as most of the sugar beets have been harvested and the initial processing is under way. The raw beets are processed into a molasses-type substance that is stored so that sugar can be processed year round. Dairying and cheese manufacturing have increased, but jobs somewhat stabilized during 2006.

The service sector added 2,100 jobs from October to November, pushing total jobs in that sector to 529,100 in November. The growth was largely concentrated in retail trade. Small gains in other sectors were offset by a loss of 700 jobs in leisure and hospitality as a result of the summer-to-fall recreational transition.

Job losses of 500 or more each occurred in the administrative and support services component of professional and business services primarily due to cutbacks in call center jobs, and the federal government because of seasonal employee terminations.

Retail trade experienced a record increase of 2,800 jobs from October to November 2006. Since 1991 retail trade has added an average of 1,500 jobs, ranging from a low of 1,000 in 1991 to 2,100 in 2005. The majority of the holiday hiring occurs in November as retail establishments gear up for the shopping season. This year Thanksgiving was early in the month, providing a longer holiday shopping period and requiring additional staff earlier than normal. The largest increase, 1,100 jobs, was in general merchandise stores which includes Shopko, Fred Meyer and Wal-Mart along with department stores like Macy's, Mervyns and Dillards. This particular sector accounted nearly 22 percent of all retail employment but 56 percent of the job growth in November.

The November year-over-year changes reflect the positive job picture across the industries. Jobs have been added in almost all industries except sawmills, logging, telecommunications, scientific research and development and federal government, which experienced job losses ranging from 100 to 400

Some preliminary assessments of 2006 and estimates for 2007 have already been made as the Idaho

Seasonally Adjusted	Labor Force	Unemp.	% Unemp.	Total Emp.
<b>Lewiston MSA</b>	28,536	1,233	4.3	27,303
Nez Perce County	18,694	782	4.2	17,912
Asotin County, WA	9,843	451	4.6	9,391
<b>Boise City-Nampa MSA</b>	299,248	8,628	2.9	290,619
Ada County	198,602	5,204	2.6	193,398
Boise County	4,352	124	2.9	4,228
Canyon County	83,036	2,847	3.4	80,189
Gem County	7,758	330	4.2	7,428
Owyhee County	5,500	124	2.3	5,376
<b>Pocatello MSA</b>	45,751	1,638	3.6	44,113
Bannock County	41,570	1,486	3.6	40,084
Power County	4,181	152	3.6	4,028
<b>Idaho Falls MSA</b>	61,553	1,626	2.6	59,928
Bonneville County	50,548	1,305	2.6	49,244
Jefferson County	11,005	321	2.9	10,684
<b>Coeur d'Alene MSA*</b>	70,127	2,557	3.6	67,569
<b>Burley MicSA</b>	20,169	728	3.6	19,441
Cassia County	10,383	341	3.3	10,042
Minidoka County	9,786	387	4.0	9,399
<b>Rexburg MicSA</b>	22,271	647	2.9	21,624
Fremont County	6,853	254	3.7	6,599
Madison County	15,418	393	2.5	15,025
<b>Twin Falls MicSA</b>	50,262	1,461	2.9	48,801
Jerome County	10,635	299	2.8	10,336
Twin Falls County	39,627	1,162	2.9	38,466
<b>Grangeville SLMA</b>	8,801	481	5.5	8,320
Idaho County	7,070	432	6.1	6,638
Lewis County	1,731	49	2.8	1,682
<b>Hailey SLMA</b>	16,159	356	2.2	15,803
Blaine County	15,476	339	2.2	15,137
Camas County	683	17	2.4	666
Adams County	1,940	138	7.1	1,803
Bear Lake County	3,162	84	2.7	3,077
Benewah County	4,151	355	8.6	3,795
Blackfoot MicSA (Bingham County)	20,978	691	3.3	20,286
Bonner County	21,576	946	4.4	20,630
Boundary County	3,985	424	10.6	3,560
Butte County	1,179	47	4.0	1,132
Caribou County	3,458	125	3.6	3,333
Clark County	634	20	3.2	614
Clearwater County	3,261	287	8.8	2,974
Custer County	2,789	105	3.8	2,684
Mountain Home MicSA (Elmore County)	11,083	484	4.4	10,599
Franklin County	6,607	177	2.7	6,430
Gooding County	8,842	234	2.6	8,608
Moscow MicSA (Latah County)	18,121	646	3.6	17,476
Lemhi County	4,406	215	4.9	4,192
Lincoln County	2,705	87	3.2	2,618
Oneida County	2,427	55	2.3	2,372
Payette County	10,359	517	5.0	9,842
Shoshone County	5,884	436	7.4	5,448
Teton County	4,334	79	1.8	4,255
Valley County	5,200	196	3.8	5,005
Washington County	5,103	218	4.3	4,885
<b>State of Idaho</b>	<b>765,068</b>	<b>25,472</b>	<b>3.3</b>	<b>739,596</b>
<b>Idaho Cities</b>				
Boise	125,620	3,755	3.0	121,865
Caldwell	22,456	855	3.8	21,600
Coeur d'Alene	31,002	907	2.9	30,095
Idaho Falls	15,508	654	4.2	14,855
Lewiston	32,320	1,236	3.8	31,084
Meridian	28,615	912	3.2	27,702
Nampa	20,882	641	3.1	20,240
Pocatello	22,125	437	2.0	21,688
Twin Falls	15,644	599	3.8	15,045

\* Coeur d'Alene MSA includes all of Kootenai County.

Legislature invited Idaho Commerce & Labor and others to provide assessment of recent economic activity and projections of what might happen during the next fiscal year. The Commerce & Labor report and other findings are in the FYI section beginning on page 23.

## AGRICULTURE

November's hired agricultural work force was estimated at 30,160 people, down 25.8 percent from October. This is a normal seasonal decline but reflects the fact that agricultural activity continues through the winter months. Livestock feeding, husbandry, milking and transportation occur on ranches, feedlots and farms. Farm and irrigation equipment is serviced, and fences are mended in preparation of the next growing season.

The Idaho Agricultural Statistics Service reported these crop developments:

Idaho's 2006 potato production is expected to total 122 million hundredweight, up 3 percent from 2005. In 2004, the latest data available, Idaho ranked number one in value of potato production at \$674 million. This was 26 percent more than its nearest rival Washington with \$535 million.

Sugar beet production for 2006 is forecast at 29.9 tons per acre, up from last year's 27.1 tons. Both production and yield represent new records for the state. In 2004, the latest data available, Idaho ranked second in

value of sugar beet production at \$204 million. Minnesota ranked number one at \$371 million.

Idaho's 2006 dry edible bean production is expected to total 1.91 million hundredweight, up 2.4 percent from last year's production of 1.86 million hundredweight. More acres planted and harvested account for the increase, although the average yield of 1,850 pounds per acre was down from 1,900 last year.

Commercial red meat production at Idaho packing plants — beef, veal, pork and lamb — was down 81 percent from 2005. Two major plants closed in late 2005 and 2006, resulting in the significant decline. A recent announcement confirmed that the Swift plant in Nampa will reopen in February with XL Foods Inc. as the new operator.

November milk production was up 5.6 percent from November 2005, but the price was not. This November's price was \$13.20 per hundred pounds compared to \$13.60 in November 2005.

*Source: Agriculture in Idaho, November and December 2006 issues, published twice monthly by the USDA's National Agricultural Statistics Service.*

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## CONSUMER PRICE INDEX — CPI — MEASURES CHANGE IN PRICES, INFLATION

The Consumer Price Index is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. It is the most widely used measure of inflation. There are monthly indexes available for two population groups. The CPI-U covers the expenditures of a wide range of urban consumers; the CPI-W covers only the expenditures of urban wages earners and clerical workers. The national CPI-U rate of inflation is typically used in Idaho because it closely represents the state's cost of living.

<b>U.S. Consumer Price Index</b>					
<b>(All Items, Urban Consumers, 1982-84 = 100, Not Seasonally Adjusted)</b>					
	<b>Indexes</b>			<b>% Change From</b>	
	<b>Dec 2006</b>	<b>Nov 2006</b>	<b>Dec 2005</b>	<b>Nov 2006</b>	<b>Dec 2005</b>
U.S.City Average	201.8	201.5	196.8	0.1%	2.5%

The CPI frequently is called a cost-of-living index, but it differs in important ways from a complete cost-of-living measure. The U.S. Bureau of Labor Statistics has for some time used a cost-of-living framework in making practical decisions about questions that arise in constructing the CPI. A cost-of-living index is a conceptual measurement goal, however, not a straightforward alternative to the CPI. A cost-of-living index would measure changes over time in the amount that consumers need to spend to reach a certain standard of living. Both the CPI and a cost-of-living index would reflect changes in the prices of goods and services, such as food and clothing that are directly purchased in the marketplace. But a complete cost-of-living index would go beyond this to also take into account changes in other governmental or environmental factors that affect consumers' well-being. It is very difficult to determine the proper treatment of public goods, such as safety and education, and other broad concerns, such as health, water quality and crime that would constitute a complete cost-of-living framework.

State Table 4: Nonfarm Payroll Jobs				% Change From	
BY PLACE OF WORK	Nov 2006*	Oct 2006	Nov 2005	Last Month	Last Year
<b>Nonfarm Payroll Jobs**</b>	654,000	653,400	624,700	0.1	4.7
<b>GOODS-PRODUCING INDUSTRIES</b>	124,900	126,400	116,200	-1.2	7.5
<b>Natural Resources &amp; Mining</b>	4,400	4,600	4,300	-4.3	2.3
Logging	1,900	2,000	2,100	-5.0	-9.5
Mining	2,500	2,600	2,200	-3.8	13.6
Metal Ore Mining	800	800	700	0.0	14.3
<b>Construction</b>	55,500	56,200	48,700	-1.2	14.0
<b>Manufacturing</b>	65,000	65,600	63,200	-0.9	2.8
Durable Goods	41,700	41,500	40,400	0.5	3.2
Wood Product Manufacturing	8,200	8,100	7,900	1.2	3.8
Sawmills & Wood Preservation	2,600	2,600	2,700	0.0	-3.7
Veneer & Engineered Products	1,900	1,800	1,600	5.6	18.8
Other Wood Product Manufacturing	3,700	3,700	3,600	0.0	2.8
Fabricated Metal Product Manufacturing	4,300	4,400	4,100	-2.3	4.9
Machinery Manufacturing	2,700	2,700	2,600	0.0	3.8
Computer & Electronic Product Manufacturing	16,400	16,300	15,700	0.6	4.5
Transportation Equipment Manufacturing	3,200	3,300	3,000	-3.0	6.7
Other Durable Goods	6,900	6,700	7,100	3.0	-2.8
Nondurable Goods	23,300	24,100	22,800	-3.3	2.2
Food Manufacturing	14,800	15,700	14,600	-5.7	1.4
Fruits & Vegetable Preserving & Specialty	7,400	7,400	7,100	0.0	4.2
Paper Manufacturing	1,600	1,600	1,600	0.0	0.0
Printing & Related Support Activities	2,000	2,000	1,900	0.0	5.3
Chemical Manufacturing	2,100	2,100	1,900	0.0	10.5
Other Nondurable Goods	2,800	2,700	2,800	3.7	0.0
<b>SERVICE-PROVIDING INDUSTRIES</b>	529,100	527,000	508,500	0.4	4.1
<b>Trade, Transportation, &amp; Utilities</b>	131,800	129,000	127,500	2.2	3.4
Trade	111,400	108,500	107,700	2.7	3.4
Wholesale Trade	28,300	28,200	27,500	0.4	2.9
Wholesalers, Durable Goods	13,200	13,200	12,700	0.0	3.9
Wholesalers, Nondurable Goods	12,400	12,200	12,100	1.6	2.5
Retail Trade	83,100	80,300	80,200	3.5	3.6
Motor Vehicle and Parts Dealers	12,200	12,100	11,700	0.8	4.3
Building Material and Garden Equipment	9,600	9,800	9,200	-2.0	4.3
Food & Beverage Stores	12,600	12,500	12,500	0.8	0.8
General Merchandise Stores	17,800	16,700	17,200	6.6	3.5
Transportation, Warehousing, & Utilities	20,400	20,500	19,800	-0.5	3.0
Utilities	2,000	2,000	1,900	0.0	5.3
Transportation & Warehousing	18,400	18,500	17,900	-0.5	2.8
Rail Transportation	1,300	1,300	1,100	0.0	18.2
Truck Transportation	9,600	9,600	9,200	0.0	4.3
<b>Information</b>	11,500	11,500	11,300	0.0	1.8
Telecommunications	4,700	4,700	4,800	0.0	-2.1
<b>Financial Activities</b>	32,300	32,400	30,600	-0.3	5.6
Finance & Insurance	23,600	23,600	22,400	0.0	5.4
Real Estate & Rental & Leasing	8,700	8,800	8,200	-1.1	6.1
<b>Professional &amp; Business Services</b>	83,000	82,800	78,300	0.2	6.0
Professional, Scientific, & Technical	32,200	31,800	31,500	1.3	2.2
Scientific Research & Development	7,400	7,400	7,700	0.0	-3.9
Management of Companies & Enterprises	8,100	8,100	7,700	0.0	5.2
Administrative & Support & Waste Management	42,700	42,900	39,100	-0.5	9.2
Administrative & Support Services	40,700	41,000	37,700	-0.7	8.0
<b>Educational &amp; Health Services</b>	71,800	71,600	69,600	0.3	3.2
Educational Services	9,000	8,700	8,900	3.4	1.1
Health Care & Social Assistance	62,800	62,900	60,700	-0.2	3.5
Hospitals	13,700	13,800	13,200	-0.7	3.8
<b>Leisure &amp; Hospitality</b>	60,100	60,800	55,600	-1.2	8.1
Arts, Entertainment, & Recreation	9,000	9,400	6,700	-4.3	34.3
Accommodation & Food Services	51,100	51,400	48,900	-0.6	4.5
Accommodation	8,400	8,400	7,600	0.0	10.5
Food Services & Drinking Places	42,700	43,000	41,300	-0.7	3.4
<b>Other Services</b>	19,600	19,600	18,600	0.0	5.4
<b>Total Government</b>	119,000	119,300	117,000	-0.3	1.7
Federal Government	12,400	12,900	12,800	-3.9	-3.1
State & Local Government	106,600	106,400	104,200	0.2	2.3
State Government	30,700	30,800	29,600	-0.3	3.7
State Government Education	15,200	15,100	14,600	0.7	4.1
State Government Administration	15,500	15,700	15,000	-1.3	3.3
Local Government	75,900	75,600	74,600	0.4	1.7
Local Government Education	40,400	40,100	39,400	0.7	2.5
Local Government Administration	32,300	32,300	32,100	0.0	0.6
Local Government Tribes	3,200	3,200	3,100	0.0	3.2

\*Preliminary Estimate

\*\* Estimates include all full or part time wage and salary workers who worked or received pay in the following industry groups during the pay period ending nearest the 12th of the month.

# State Table 5: Economic Indicators

	Nov 2006	Oct 2006	Nov 2005	% Change From	
				Last Month	Last Year
IDAHO LABOR FORCE <sup>(1)</sup>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	765,100	757,400	745,700	1.0	2.6
Unemployment	25,500	23,900	26,300	6.7	-3.0
Percent of Labor Force Unemployed	3.3	3.2	3.5		
Total Employment	739,600	733,500	719,400	0.8	2.8
<i>Unadjusted</i>					
Civilian Labor Force	763,400	759,700	744,300	0.5	2.6
Unemployment	23,800	19,000	24,300	25.3	-2.1
Percent of Labor Force Unemployed	3.1	2.5	3.3		
Total Employment	739,600	740,700	720,000	-0.1	2.7
U. S. UNEMPLOYMENT RATE <sup>(2)</sup>	4.5	4.4	5.0		
U.S. CONSUMER PRICE INDEX <sup>(2)</sup>					
Urban Wage Earners & Clerical Workers (CPI-W)	196.8	197.0	193.4	-0.1	1.8
All Urban Consumer (CPI-U)	201.5	201.8	197.6	-0.1	2.0
AGRICULTURE					
Agriculture Employment	40,260	50,770	38,830	-20.7	3.7
Operators	9,740	9,740	9,740	0.0	0.0
Unpaid Family	360	360	360	0.0	0.0
Hired Workers	30,160	40,670	28,730	-25.8	5.0
UNEMPLOYMENT INSURANCE					
<i>Claims Activities</i>					
Initial Claims <sup>(3)</sup>	12,305	6,736	11,225	82.7	9.6
Weeks Claimed <sup>(4)</sup>	41,629	31,024	45,314	34.2	-8.1
<i>Benefit Payment Activities<sup>(5)</sup></i>					
Weeks Compensated	31,674	23,152	39,022	36.8	-18.8
Total Benefit \$ Paid	\$7,411,430	\$4,934,563	\$8,811,621	50.2	-15.9
Average Weekly Benefit Amount	\$233.99	\$213.14	\$225.81	9.8	3.6
Covered Employers	49,364	49,264	46,170	0.2	6.9
Total Benefit \$ Paid During Last 12 Months <sup>(4)</sup>	\$110,599,940	\$112,024,837	\$130,474,981	-1.3	-15.2

(1) Preliminary Estimate

(2) Source: U.S. Bureau of Labor Statistics

(3) Includes all entitlements/programs on Intrastate and Interstate Agent, New, and Additional Claims

(4) Includes all entitlements/programs, Intrastate and Interstate Agent

(5) Includes all entitlements/programs, Total Liable Activities



# Panhandle News

BENEWAH, BONNER, BOUNDARY, KOOTENAI & SHOSHONE COUNTIES

## 2006: YEAR IN REVIEW

January gets its name from the Roman deity Janus, who has two faces so he could look forward and backward at the same time. So it's only natural that January causes us to review the year that just ended and wonder what will happen in the year that has just begun. The Panhandle can look back at 2006 with great satisfaction. For the third year in a row, it enjoyed strong job growth, creating about 3,900 nonfarm payroll jobs, a 5 percent increase. These job estimates are based on actual data for the first two quarters of 2006 and on samples of employers for the last two quarters of the year.

### Benewah County

- It was a pretty good year for the county's 9,400 residents. After stagnating from 1997 through 2003, the county turned around in 2004, and 2006 was the third year in a row of significant growth in nonfarm payroll jobs. It was the second straight year that the county experienced significant population growth. In 2005, retirees discovered Benewah County's hunting and fishing opportunities, beauty, peaceful lifestyle and relatively low cost of living, and the population has risen 2 percent annually the past two years.
- The county entered 2006 on a wave of good fortune. High lumber prices buoyed employment levels at the mills, logging operations and Buell Trucking. Construction rose to an all-time high. The Coeur d'Alene Tribe continued adding jobs at its headquarters and enterprises. The completion of the Trail of the Coeur d'Alenes brought more visitors to the Plummer area. With population growing and incomes rising, retail and service employment also expanded.
- Good fortune brought a problem that Benewah County hadn't experienced for decades — labor shortages. During the last two years, employers have

Panhandle Table 1: Coeur d'Alene MSA Labor Force & Employment Kootenai County

	Nov 2006*	Oct 2006	Nov 2005	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	70,130	69,520	68,060	0.9	3.0
Unemployed	2,550	2,280	2,470	11.8	3.2
% of Labor Force Unemployed	3.6%	3.3%	3.6%		
Total Employment	67,580	67,240	65,590	0.5	3.0
<i>Unadjusted</i>					
Civilian Labor Force	70,220	69,300	68,180	1.3	3.0
Unemployed	2,430	1,800	2,320	35.0	4.7
% of Labor Force Unemployed	3.5%	2.6%	3.4%		
Total Employment	67,790	67,500	65,860	0.4	2.9
<b>JOB BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	55,630	56,280	53,540	-1.2	3.9
<i>Goods-Producing Industries</i>	11,200	11,430	10,870	-2.0	3.0
Natural Resources & Mining	510	520	460	-1.9	10.9
Construction	6,080	6,290	5,750	-3.3	5.7
Manufacturing	4,610	4,620	4,660	-0.2	-1.1
Wood Product Manufacturing	930	950	1,060	-2.1	-12.3
Other Manufacturing	3,680	3,670	3,600	0.3	2.2
<i>Service-Providing Industries</i>	44,430	44,850	42,680	-0.9	4.1
Trade, Transportation, & Utilities	10,290	10,170	10,050	1.2	2.4
Wholesale Trade	1,450	1,460	1,360	-0.7	6.6
Retail Trade	7,820	7,670	7,600	2.0	2.9
Transportation, Warehousing & Utilities	1,020	1,040	1,090	-1.9	-6.4
Information	970	980	990	-1.0	-2.0
Financial Activities	2,920	2,930	2,850	-0.3	2.5
Professional & Business Services	6,580	6,520	6,080	0.9	8.2
Educational & Health Services	5,790	5,760	5,440	0.5	6.4
Leisure & Hospitality	6,550	7,240	6,340	-9.5	3.3
Other Services	1,410	1,410	1,410	0.0	0.0
Government Education	3,780	3,780	3,750	0.0	0.8
Government Administration	5,430	5,330	5,090	1.9	6.7
Government Tribes	710	730	680	-2.7	4.4

\* Preliminary estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

found it especially difficult to find workers who need to be physically strong. The construction industry has been luring workers from other industries. In April, the county's seasonally adjusted unemployment rate fell to 6 percent, its lowest since 1989. Even high-paying employers such as the mills and Buell Trucking found it difficult to recruit enough qualified workers. The Coeur d'Alene Reservation, which traditionally had unemployment rates approaching 20 percent, now is importing workers from the Coeur d'Alene area and Spokane County. The Coeur d'Alene Tribe employs 500 people at its headquarters, school, medical clinic, farm and enterprises in Benewah County and 720 people at its casino, golf course, inn and restaurants in Worley in

Kootenai County. Many of its employees live off the reservation and come to work on the buses that the tribe runs throughout the reservation and into Coeur d'Alene, Hayden and Post Falls.

- In late April, the county's luck changed from good to fair. The St. Maries River Railroad, the only railroad serving the St. Maries area, was forced to shut down when a bridge collapsed. That increased operating costs for the Potlatch lumber and plywood complex with over 300 workers and the Regulus Stud Mill with a payroll of 100. At the same time, lumber prices began falling. The Random Lengths composite price for framing lumber fell from \$380 per thousand board feet in early January to \$260 by early October. This forced a few shutdowns by Regulus, which also was in the middle of replacing its mill with a state-of-the-art facility. Despite low lumber prices and the troubles caused by lack of rail service, the county's timber industry only lost a handful of jobs between 2005 and 2006.
- There's reason to be cautiously optimistic about Benewah County's lumber industry in 2007. The St. Maries River Railroad should be running again in the next few weeks. Regulus soon will be celebrating the opening of its new, more efficient mill. Lumber prices have increased slightly, rising above \$300 in mid-January. Most industry experts expect relatively low lumber prices to persist through the first half of this year and competition from Canadian lumber to increase significantly.
- Construction activity slowed toward the end of 2006 and is likely to fall somewhat in 2007. Offsetting some of the residential construction slowdown will be the construction of a new \$1.5 million Panhandle Health District in downtown St. Maries. The new 8,000-square-foot building, to be completed in January 2008, will double the space available at the district's current location. Any workers who lose construction jobs are likely to easily find work at mills and other industries that have been desperate for strong workers.
- There will be \$2.2 million in construction at Heyburn State Park, the oldest state park in the Pacific Northwest. The Legislature approved repairs and other work in the 5,500-acre park, including construction of a visitor center.
- Despite its beauty and great recreational opportunities, Benewah County does not benefit from tourism like the other Panhandle counties, although there are some signs that may be changing. Its hotel-motel receipts grew 18.3 percent from \$362,250 in 2005 to \$428,426 in 2006. That's still pales next to Shoshone County's \$3.1 million in receipts. All other Panhandle counties have higher receipts than both Benewah and Shoshone.

- Timber Plus, the economic development organization serving Benewah County, received a grant this fall that allowed its director to work full time rather than half time. Timber Plus, based in St. Maries, is aggressively promoting the county to tourists, working to attract businesses and helping existing businesses expand.
- The county also benefits from the economic development efforts of the Coeur d'Alene Tribe. Last summer, the tribe acquired majority ownership in Berg Integrated Systems and moved it from Coeur d'Alene to Plummer. In January, the company sold its first remote site, integrated Expandable Shelter Platform, to the Oregon National Guard. These structures are used at remote sites by military units, humanitarian aid and disaster relief organizations and other groups conducting exploration and field studies for whatever they need — kitchen and dining space, executive offices, medical facilities, places for showers or latrines or laboratories. Berg Integrated Systems currently employs 27 workers. Most employees are welders and metal fabricators. By the end of the year, the tribe expects it will add 40 to 60 jobs. Eventually, it may employ as many as 250 workers.

#### **Bonner County**

- In 2006, Bonner County's population of about 42,000 saw the local economy perform very well, if less spectacularly than the year before. In 2005, Bonner County added about 850 nonfarm payroll jobs. In 2006, it added about 600.
- The manufacturing sector was a star performer, growing 6 percent, or about 120 jobs, to 2,300 despite a slowdown in the wood products industry. Quest Aircraft at the Sandpoint airport generated 60 jobs when it expanded beyond making prototypes to actually producing airplanes. Other expanding manufacturers included Litehouse, the world's leading producer of refrigerated salad dressings in Sandpoint; Thorne Research, a manufacturer of nutritional supplements in Dover; Safetyline, a manufacturer of safety clothing that moved to Priest River in early 2006; Diedrich Roasters, a manufacturer of coffee-roasting equipment in Sandpoint; and Tri-Pro Cedar Products, a manufacturer of decking, fence rails and siding in Oldtown.
- The corporate headquarters of Coldwater Creek, the Sandpoint-based national retailer, added more than 80 jobs in 2006, and Panhandle State Bank, whose new headquarters are under construction in downtown Sandpoint, added a dozen jobs.
- Construction employment in 2006 rose about 18 percent above 2005, which had shattered all previous records. With county population increasing about 1,200 residents a year, the area's discovery by people from throughout the nation over the last four years



and the growing numbers of second homes has kept construction high.

- A busy summer followed a good ski season in the first four months of 2006 and preceded a good start to this 2006/2007 ski season, boosting tourism to its highest level ever. Hotel-motel receipts rose 23.3 percent, from \$12.4 million in 2005 to \$15.2 million in 2006, according to the Idaho Tax Commission.
- Increases in population, tourists and incomes raised demand for retail products and services, leading to job increases in many sectors.
- Three years of exceptional job growth has put pressure on the labor market, and employers are competing with each other to get and keep workers. By October, the county's seasonally adjusted unemployment rate was down to a record low 3.9 percent. Icy roads and exceptionally cool weather and troubles in the lumber industry pushed the unemployment rate up slightly toward the end of the year. Despite the uptick, the county's rate remained below the low national unemployment rate.

#### **Boundary County**

- Boundary County's 10,800 residents are a resilient lot, overcoming obstacles to economic success gracefully. And 2006 was another year when Boundary County's economy performed well overall, but a major business closure prevented the county from moving forward significantly. In 2003 it was the closure of the Louisiana-Pacific mill. In 2005 it was the closure of the county's largest employer, the CEDU/Brown schools. In 2006, low lumber prices forced the county's largest manufacturer, the Riley Creek Mill in Moyie Springs, to permanently lay off 70 people. In addition, the flooding of the Kootenai River in June caused millions of dollars in losses for farmers and property owners.
- Fortunately, other sectors were thriving. Idaho Educational Services, which purchased the CEDU schools and is slowly reopening them, has brought about half of the 300 jobs back since it resumed operations in late 2005. The county experienced the highest level of construction activity ever last year. Federal Homeland Security, one of the county's largest employers, maintained employment levels on the border. Nearly 200 people moved into the county, creating job opportunities in retail and services. The Canadian dollar rising to a 15-year high of 90 cents in June had Canadians visiting the county in record numbers. The 2005 expansion and remodel of the Kootenai River Inn and Casino in Bonners Ferry also attracted more visitors. Hotel-motel receipts rose 20.4 percent from \$2.8 million in 2005 to \$3.3 million in 2006.

- The net result was the county's seasonally adjusted unemployment rate averaged about 9 percent in the fourth quarter of 2006, slightly higher than the 8.7 percent it averaged in the fourth quarter of 2005. Despite the troubles in the lumber industry, people able to do jobs requiring strength and endurance remained in high demand. Most of the Riley Creek workers were able to find jobs relatively easily in construction, tree nurseries or other industrial businesses. Unfortunately, many of those jobs are seasonal and do not pay as well as sawmills do.

#### **Kootenai County**

- Kootenai County, home to about 133,000 people, continued to be the Panhandle's powerhouse. It generated an estimated 2,800 new nonfarm payroll jobs — growth of 5.5 percent. That wasn't quite the spectacular 6.9 percent annual growth of the previous two years, but it still demonstrated the county's power to generate jobs.
- For the third year in a row, construction was the largest source of new jobs. It accounted for 800 of the 2,800 nonfarm payroll jobs added in 2006. Commercial and industrial construction grew enough to offset a slowdown in the last half of the year in residential construction, especially in homes built by speculators.
- The job growth in 2006 continued to be broad-based. The expansion of the U.S. Bank customer service center, which opened in mid-2005 in Coeur d'Alene, kept call center jobs growing. Dramatic population growth — nearly 5,000 a year — record-shattering tourism and rising incomes fueled expansion in the retail, education and service sectors. Health care added 250 jobs. The ever-growing Kootenai Medical Center in Coeur d'Alene and the new Northern Idaho Advanced Care Hospital in Post Falls were responsible for most of those new jobs.
- The only major sector losing jobs was the wood products industry, which shed another 70 between 2005 and 2006. Given that Stimson Lumber closed its 110-employee Atlas mill in Coeur d'Alene on Dec. 31, 2005, the job loss means the wood products industry held its own in 2006 despite falling lumber prices. Other manufacturers — especially electronics, metals and plastics — added an estimated 100 jobs.
- Good weather, favorable exchange rates and the area's growing reputation helped tourism soar to a new high in 2006. Hotel-motel receipts grew 7.5 percent from \$42.8 million to \$46 million in 2006. Motels, restaurants and the Silverwood Theme Park near Athol added about 470 jobs while the Coeur d'Alene Tribe's casino, inn and golf course near Worley added another 60. This spring, a 100-room Hampton Inn will open near the Riverstone cinemas in Coeur d'Alene.

- In 2006, the Coeur d'Alene Resort celebrated its 20<sup>th</sup> anniversary, and people throughout the Panhandle contemplated how the resort and its famous golf course with a floating green have transformed the tourism industry, bringing in thousands of people who would never have visited otherwise. The resort doesn't rest on its laurels. In 2006, it renovated many hotel rooms and opened an incredible new spa.
- Last year brought other economic news. Silverwood announced that it will double the size of its enormous water park, which will kick summer tourism up another notch. Cabela's plans to open a 125,000-square-foot sporting goods store in Post Falls by Thanksgiving. Many other retailers, restaurants and hotels are vying to build near Cabela's. Coeur d'Alene was one of the lucky communities to win a Kroc Center. The Salvation Army soon will start construction on a \$65 million community center in Coeur d'Alene, providing an indoor swimming pool, climbing wall, jogging track, classrooms and chapel for community members.
- After two decades of high unemployment, Kootenai County's unemployment rate remained below 4 percent throughout 2006. Most of the county was an employer's market until three years ago. Today it's a job seeker's market. It's become the top priority of the local chambers of commerce to help employers learn how to compete for workers and to increase the skills of the available work force.

### Shoshone County

- Shoshone County hasn't enjoyed growth like this since 1981, and it's been nearly a century since it's experienced such broad-based growth.
- High silver prices have brought luster back to the county's silver mines. Shoshone County's mining industry was thrilled when silver prices rose from \$4.85 an ounce in 2003 to \$7.22 an ounce in 2005 so imagine their happiness when silver prices rose above \$12 in April. The mining industry added about 60 jobs in 2006 after 100 over the previous two years. By the end of this year, it could add another 100 jobs if the Sunshine Mine reopens in the fourth quarter. The mine's owner expects to start production then or in the first quarter of 2008. Even more jobs may follow in a couple of years if the Crescent Mine near Kellogg reopens. The Crescent's new owner is considering reopening the mine that closed in 1986. High gold prices also may lead to the opening of some gold mines.
- Given the high level of wages in the mining industry, increased job opportunities at mines is great news for local retailers and service providers. The average annual wage in Shoshone County's mining industry in 2006 was about \$56,000 — more than double the

average wage of \$25,500 for all other industries. With current silver prices, a new profit-sharing agreement should bring even more gains to workers at the Galena Mine near Wallace. U.S. Silver Corp., which purchased the Galena in June, announced in November that its hourly employees will receive 7.5 percent of the profits quarterly when the mine is profitable. Workers at Hecla Mining's Lucky Friday also benefited from high profits. The average bonus per Lucky Friday employee was \$30,000 in 2006.

- The county's tourism industry is performing well and will grow even more with the new indoor water park scheduled to open this fall near the Silver Mountain Resort's gondola base in Kellogg. And it will really take off when Silver Mountain's owner, Eagle Crest, builds an 18-hole golf course nearby, making the resort a four-season destination. Golfers may be teeing off at the Galena Ridge course as early as 2009. In the meantime, great weather conditions are keeping Silver Mountain and the smaller Lookout Pass ski areas busy, and condominiums are going up near the gondola base and throughout the greater Kellogg area. Hotel-motel receipts in Shoshone County grew 8.7 percent from \$2.9 million in 2005 to \$3.1 million in 2006.
- The county's largest employer, Dave Smith Motors, continued to be the world's largest dealer for Dodge, Chrysler and Jeep vehicles. It beat its own previous record by selling 7,024 vehicles in 2006. It also is the Pacific Northwest's largest GM dealer. Dave Smith Motors employs 370 people in Kellogg, where the Internet and the daily shuttles it provides between the Spokane Airport and Kellogg allow it to serve customers throughout the U.S. with its famous one-price, no-hassle system. At any given time, Dave Smith Motors has 2,500 to 2,700 new vehicles plus 250 to 400 used vehicles on lots throughout Kellogg, population 2,300.
- Wal-Mart opened its first store in Shoshone County this January. The Wal-Mart supercenter in Smelterville currently employs about 100 people.
- From December 1981 to June 2004, Shoshone County nearly always had double-digit unemployment rates. But during the last three years, the unemployment rate has edged down, falling to 7.1 percent by 2006, its lowest level since 1981.

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# North Central Idaho News

CLEARWATER, IDAHO, LATAH, LEWIS & NEZ PERCE COUNTIES

## ECONOMIC TRENDS

November's seasonally adjusted unemployment rate increased slightly from October to 4.3 percent due to a decrease in seasonal trade and service hiring for the holiday season. Stores and restaurants reported hiring fewer temporary workers this season, giving permanent workers more hours during the holidays. Year-over-year unemployment was down from last November's 4.6 percent.

## AREA DEVELOPMENTS

### Clearwater County

- The Bountiful Grain and Craig Mountain Railroad, recognized by its bright orange caboose, runs between Lewiston and Kooskia four days per week, and plans are in the works to re-open the abandoned line from Orofino to Jaype once permits are completed. The railroad hopes to gain Potlatch business once the run is open. Over the next five years, Potlatch reportedly has plans to increase timber harvest by 25 percent. Headquartered in Orofino, the railroad rents storage space for customers, particularly loggers, who want to ship via Union Pacific cars. The Bountiful Grain and Craig Mountain Railroad is owned by Mike Williams of Missouri, and the crew includes Kurt Gaylor, region manager, two train operators, a road master and a rail maintenance person. Grangeville's Bennett Forest Industries currently provides much of the Kooskia business, using the railroad to transport a reported 200 loads of lumber per month.

### Latah County

- Gritman Medical Center is negotiating the purchase of the Latah Health Services care center building and land south of town. Gritman officials said that if the sale goes through, potential uses for the building include expansion of the hospital's current medical services and creation of new health and wellness services.
- Schweitzer Engineering Laboratories in neighboring Pullman, Wash., continues to experience unparalleled growth. Schweitzer, founded in 1982, employs

North Central Idaho Table 1: Lewiston MSA Labor Force & Employment  
Nez Perce County, Idaho and Asotin County, Washington

	Nov 2006*	Oct 2006	Nov 2005	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	28,530	28,290	29,290	0.8	-2.6
Unemployment	1,230	1,150	1,360	7.0	-9.6
% of Labor Force Unemployed	4.3	4.1	4.6		
Total Employment	27,300	27,130	27,930	0.6	-2.3
<i>Unadjusted</i>					
Civilian Labor Force	28,360	28,020	29,120	1.2	-2.6
Unemployment	1,170	960	1,280	21.9	-8.6
% of Labor Force Unemployed	4.1	3.4	4.4		
Total Employment	27,190	27,060	27,840	0.5	-2.3
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	26,980	27,020	27,390	-0.1	-1.5
<i>Goods-Producing Industries</i>	4,440	4,460	4,550	-0.4	-2.4
Natural Resources & Mining	280	270	200	3.7	40.0
Construction	1,210	1,240	1,350	-2.4	-10.4
Manufacturing	2,950	2,950	3,000	0.0	-1.7
Wood Product Manufacturing	530	530	540	0.0	-1.9
Food Manufacturing	30	30	30	0.0	0.0
Paper Manufacturing	1,080	1,090	1,110	-0.9	-2.7
Other Manufacturing	1,310	1,300	1,320	0.8	-0.8
<i>Service-Providing Industries</i>	22,540	22,560	22,840	-0.1	-1.3
Trade, Transportation & Utilities	5,490	5,440	5,480	0.9	0.2
Wholesale Trade	640	650	670	-1.5	-4.5
Retail Trade	3,520	3,460	3,580	1.7	-1.7
Utilities	80	80	90	0.0	-11.1
Transportation & Warehousing	1,250	1,250	1,140	0.0	9.6
Information	450	450	390	0.0	15.4
Financial Activities	1,820	1,830	1,890	-0.5	-3.7
Professional & Business Services	1,550	1,590	1,660	-2.5	-6.6
Education & Health Services	4,500	4,490	4,490	0.2	0.2
Leisure & Hospitality	2,370	2,370	2,530	0.0	-6.3
Other Services	1,050	1,070	1,150	-1.9	-8.7
Government Education	2,360	2,510	2,530	-6.0	-6.7
Government Administration	2,050	2,060	1,990	-0.5	3.0
Government Tribes	900	750	730	20.0	23.3

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

about 1,000 in Pullman and has quickly risen to be the second-largest manufacturer in the region behind Potlatch Corp. In 2006, the company announced it would double its manufacturing capacity in Pullman to more than 200,000 square feet in an expansion that will add 300 jobs. Those jobs are in addition to about 225 positions hired in 2006. Schweitzer also finished its five-story, 90,000-square-foot headquarters building in Pullman.

- Pullman-Moscow Regional Airport Board plans to expand and realign the airstrip and landing approaches to bolster the airport's viability to commercial, corporate and charter users. The proposed improvements would bring the airport under new federal guidelines and allow larger aircraft, such as Boeing 737s, to land in Pullman without special waivers. The airstrip realignment is one of multiple phases that aim to make the airport a Palouse transportation hub and compete with airports in Lewiston and Spokane. The new approach would give the airport more options and accommodate more aircraft. Beyond an increase in commercial use, the board stressed the move will benefit companies like Schweitzer Engineering and the local universities, serving their corporate and charter needs.
- Researchers at the University of Idaho are making big strides in a tiny technology. Physicist David McIlroy and mechanical engineer Luigi Corti are on the cutting edge of research into the microscopic nano-world, developing a new class of materials called nanosprings. The tiny devices, which look similar to a coiled telephone cord when viewed through a powerful microscope, are inexpensive, easily made and could have a myriad of applications. Currently, the researchers are working on nanospring-based gas storage tanks for the next generation of hydrogen-fueled cars. The transfer of nanospring technology to various manufacturers should be a "piece of cake," McIlroy says. The technology UI uses to create nanosprings is 100 percent compatible with the existing microelectronics industry, involves no waste and is completely scaleable to meet industry or research needs.
- The University of Idaho is celebrating its College of Engineering's centennial year. Great changes took place across the Pacific Northwest in 1907. Pike's Place Market opened in Seattle. Construction began on the Idaho State Capitol building in Boise. Potlatch opened the country's largest sawmill. The University of Idaho took a significant step as well, opening the doors to its College of Engineering. One hundred years later, more than 13,000 students have earned their degrees and left to make their mark on the world. College of Engineering Dean Aicha Elshabini said their work is seen today in advancing technologies that range from automobiles to cell phones to prosthetics. "This institution has, over the years, graduated people who have really shaped not only the state but the nation," he said.

#### **Nez Perce and Asotin Counties**

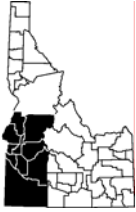
- It was a year of change for Potlatch Corp. in 2006. The company completed its conversion to a real estate investment trust on Jan. 1. That change brought a new chief executive for the timber products company and an evolution of its public access policy. Michael Covey replaced the retired L. Pendleton Siegel as the top man. He was hired for his experience in moving Plum Creek Timber Company in Atlanta to a real estate investment trust. The new status gives Potlatch a tax advantage when it buys and sells land, and the company has set a course to make a profit from its land. Under Covey, the company has increased harvest of its Idaho timberlands by 25 percent. Potlatch owns 670,000 acres of timber

in Idaho and is the state's largest private landowner. Potlatch has completed an analysis of its land holdings throughout the country and announced in November that it intends to sell large chunks of land, primarily tracts scattered far from its manufacturing facilities or not well suited to growing timber. Nationwide, the company plans to sell as much as 300,000 acres in the next 10 years. But Potlatch will also be purchasing more land as part of its strategy to expand its timber base in places such as the Intermountain West, the Great Lakes states and the South.

- Idaho ingenuity helped weapons maker ATK grab business from a competitor and bolster its thriving Lewiston operation. ATK has landed contracts which could be worth more than \$90 million in five years from the U.S. Department of Homeland Security. "We're ramped up for that kind of production," said Bryce Hollowell, a spokesman for the company in Edina, Minn. "It just makes for solid business in Lewiston." The number of employees in Lewiston has grown by about 130 to 830 since ATK acquired the plant in 2001. The company continues to hire about 10 employees a month, filling new positions and replacing retiring workers. A big key in the contract were innovations developed in Lewiston for .223-caliber ammunition, which is the equivalent of what the military uses for M-16 rifles. The innovations separated ATK from other companies, including the one that had previously held the competitively bid contract, Hollowell said. A large share of the contract is for Immigration and Customs Enforcement, and much of that production will occur in Lewiston, Hollowell said. Bullets will be made in Lewiston and then shipped to another ATK factory in Anoka, Minn., where they will be assembled with primers and casings. Small-caliber ammunition has been the biggest growth area for ATK in recent years, outpacing increases in other product lines such as rocket motors, propulsion systems for U.S. missiles and satellite components. ATK makes small-caliber ammunition in three places – Lewiston, which focuses on the law enforcement market, Anoka, which produces sporting ammunition and the Kansas City, Mo., area, where it has a military ammunition factory.
- Regence BlueShield's 30,000-square-foot office complex that opened three years ago is predicted to be full in seven months, according to President John Stellmon. The building was expected to meet company needs for three to seven years, but demand for services has exceeded expectations. To meet the needs of the growing work force, the company plans to build a 150,000-square-foot, four-story parking garage and a fitness center for employees next to the new office space. It will max out the capacity of the property, he said, and require tearing out new pavement. Work will start this spring, as soon as details can be worked out, and should be finished about this time next year. In the meantime, employees will be shuttled from parking on Bryden Avenue.

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# Southwestern Idaho News

ADA, ADAMS, BOISE, CANYON, ELMORE, GEM, OWYHEE, PAYETTE, VALLEY & WASHINGTON COUNTIES

## ECONOMIC TRENDS

November's seasonally adjusted unemployment rate for the Boise-Nampa Metropolitan Statistical Area increased slightly to 2.9 percent following three straight months of falling unemployment. Further seasonal declines in the construction industry as winter began to set in, curtailing activities, contributed to the higher rate. Job opportunities in accommodations slowed as the busy summer and fall seasons ended and the wait began for the snow to fly and the holidays to kick in. Despite the slight increase in November's unemployment rate, it was still two-tenths of a percentage point lower than the same month one year earlier.

Total nonfarm jobs managed a slight increase in November of 0.3 percent, about 900 new jobs. The Boise area has recorded over 275,000 jobs for two consecutive months — more than 16,000 above November 2005 for an annual increase of 6.3 percent. While construction employment continued falling as winter set in, retail trade added 1,200 new jobs for the busy holiday shopping season. November's civilian labor force and total em-

	Civilian Labor Force	Number Unemployed	Percent Unemployed	Number Employed
<b>Ada</b>	198,602	5,204	2.6	193,398
<b>Adams</b>	1,940	138	7.1	1,803
<b>Boise</b>	4,352	124	2.9	4,228
<b>Canyon</b>	83,036	2,847	3.4	80,189
<b>Elmore</b>	11,083	484	4.4	10,599
<b>Gem</b>	7,758	330	4.2	7,428
<b>Owyhee</b>	5,500	124	2.3	5,376
<b>Payette</b>	10,359	517	5.0	9,842
<b>Valley</b>	5,200	196	3.8	5,005
<b>Washington</b>	5,103	218	4.3	4,885
<b>Statewide</b>	765,068	25,472	3.3	739,596

**Southwestern Idaho Table 1: Boise City-Nampa MSA Labor Force & Employment (Ada, Canyon, Boise, Gem and Owyhee counties)**

	Nov 2006*	Oct 2006	Nov 2005	% Change Last Month	% Change Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	299,200	294,900	289,300	1.5	3.4
Unemployment	8,600	7,900	9,100	8.9	-5.5
% of Labor Force Unemployed	2.9	2.7	3.1		
Total Employment	290,600	287,000	280,200	1.3	3.7
<i>Unadjusted</i>					
Civilian Labor Force	298,900	293,300	289,000	1.9	3.4
Unemployment	8,300	6,900	8,600	20.3	-3.5
% of Labor Force Unemployed	2.8	2.3	3.0		
Total Employment	290,600	286,400	280,400	1.5	3.6
<b>JOBS BY PLACE OF WORK</b>					
Nonfarm Payroll Jobs**	276,200	275,300	259,900	0.3	6.3
GOODS-PRODUCING INDUSTRIES	55,300	55,500	51,900	-0.4	6.6
<i>Natural Resources &amp; Construction</i>	24,300	24,400	22,100	-0.4	10.0
Construction	23,900	24,000	21,700	-0.4	10.1
<i>Manufacturing</i>	31,000	31,100	29,800	-0.3	4.0
Durable Goods	24,500	24,500	23,600	0.0	3.8
Wood Product Manufacturing	2,600	2,700	2,300	-3.7	13.0
Fabricated Metal Products Mfg.	1,500	1,500	1,500	0.0	0.0
Machinery Manufacturing	1,200	1,200	1,200	0.0	0.0
Computer & Electronic Manufacturing	14,200	14,200	13,800	0.0	2.9
Transportation Equipment Mfg.	2,100	2,200	2,200	-4.5	-4.5
Other Durable Goods	2,900	2,700	2,600	7.4	11.5
Nondurable Goods	6,500	6,600	6,200	-1.5	4.8
Food Manufacturing	4,400	4,500	4,400	-2.2	0.0
Printing & Related Support Activities	700	700	700	0.0	0.0
Other Nondurable Goods	1,400	1,400	1,100	0.0	27.3
SERVICE-PRODUCING INDUSTRIES	220,900	219,800	208,000	0.5	6.2
<i>Trade, Transportation, &amp; Utilities</i>	55,100	54,000	51,100	2.0	7.8
Trade	47,300	46,200	43,900	2.4	7.7
Wholesale Trade	12,500	12,600	11,800	-0.8	5.9
Wholesalers, Durable Goods	7,500	7,500	7,200	0.0	4.2
Wholesalers, Nondurable Goods	3,600	3,600	3,600	0.0	0.0
Retail Trade	34,800	33,600	32,100	3.6	8.4
Food & Beverage Stores	4,500	4,500	4,600	0.0	-2.2
General Merchandise Stores	7,000	6,800	6,800	2.9	2.9
All Other Retail Trade	23,300	22,300	20,700	4.5	12.6
Transportation, Warehousing, & Utilities	7,800	7,800	7,200	0.0	8.3
Utilities	600	600	600	0.0	0.0
Transportation & Warehousing	7,200	7,200	6,600	0.0	9.1
<i>Information</i>	5,400	5,400	5,400	0.0	0.0
Telecommunications	1,400	1,400	2,400	0.0	-41.7
<i>Financial Activities</i>	14,700	14,800	13,700	-0.7	7.3
Finance & Insurance	10,300	10,200	9,600	1.0	7.3
Real Estate & Rental & Leasing	4,400	4,600	4,100	-4.3	7.3
<i>Professional &amp; Business Services</i>	39,100	39,100	37,700	0.0	3.7
Professional, Scientific, & Technical	11,300	11,300	11,000	0.0	2.7
Management of Companies & Ent.	5,800	5,800	5,800	0.0	0.0
Administrative & Support & Waste Mgmt.	22,000	22,000	20,900	0.0	5.3
<i>Educational &amp; Health Services</i>	32,800	32,700	31,800	0.3	3.1
Educational Services	3,300	3,100	3,200	6.5	3.1
Health Care & Social Assistance	29,500	29,600	28,600	-0.3	3.1
Hospitals	9,600	9,600	9,200	0.0	4.3
<i>Leisure &amp; Hospitality</i>	23,300	23,500	21,800	-0.9	6.9
Arts, Entertainment, & Recreation	3,200	3,400	2,500	-5.9	28.0
Accommodation & Food Services	20,100	20,100	19,300	0.0	4.1
Accommodation	2,000	2,100	2,100	-4.8	-4.8
Food Services & Drinking Places	18,100	18,000	17,200	0.6	5.2
<i>Other Services</i>	7,200	7,200	6,300	0.0	14.3
<b>Total Government</b>	43,300	43,100	40,200	0.5	7.7
Federal Government	5,900	5,800	5,800	1.7	1.7
State & Local Government	37,400	37,300	34,400	0.3	8.7
State Government	14,000	14,000	13,600	0.0	2.9
State Government Education	4,900	5,000	5,000	-2.0	-2.0
State Government Administration	9,100	9,000	8,600	1.1	5.8
Local Government	23,400	23,300	20,800	0.4	12.5
Local Government Education	15,000	14,900	12,800	0.7	17.2
Local Government Administration	8,400	8,400	8,000	0.0	5.0

\* Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

ployment figures for all 10 counties in southwestern Idaho are shown in Southwestern Idaho Table 2 on page 13.

### **SPECIAL TOPIC: Treasure Valley Housing Market**

The number of homes sold in the metropolitan area in November totaled 970, the third best November in 10 years, according to the Intermountain Multiple Listing Service. Sales were up 40 percent from the 579 homes sold in November 1997.

November home sales in Ada County at 630 also marked the third best November since 1997, 11 percent more than the 10-year average of 567. Canyon County had its second highest November home sales since 1997 at 340, 27 percent higher than its 10-year average of 268. In fact, more homes were sold in Ada County during the most recent November than the number of homes sold in both Ada and Canyon counties from 1997 through 2000.

Although this November's home sales were well below last November, 2005 overall was the best year on record for home sales. The decline in sales numbers from 2005 to 2006 is nothing more than a return to a sustainable rate of growth. Sales in 2006 were still 11 percent higher than the preceding 10-year average.

Median home prices in Ada County posted a double digit percentage increase, 11.6 percent, last November from the same month a year ago to \$231,000. In addition, homes in Ada County in November averaged 86 days on the market compared with 94 days in November 2005.

Median home prices in Canyon County posted an even greater gain year-over-year, rising 18.9 percent to \$164,950 from the same month a year earlier. As in Ada County, homes sold this November spent less time on the market than they did the year before – 93 days compared to 108 days.

This data indicates the region's housing market is still healthy. Even though home sales are not at the volume they were a year ago, sales are still above historical averages. In addition, the housing market is still seeing robust price appreciation, and homes are spending less time on the market. As interest rates remain at historical lows and the population continues to grow, so too will the housing market.

### **AREA DEVELOPMENTS**

#### **Boise Metropolitan Statistical Area**

- XL Four Star Beef Inc. is re-opening the shuttered Swift facility in Nampa. Mid-2005, Swift and Co. permanently closed their facilities in Nampa and Nebraska and sold both to the Canadian company. XL Four Star Beef is currently hiring mostly production workers but also some accountants and maintenance workers.

- Commercial construction activity was vigorous in Canyon County during 2006 with over 1 million square feet of new retail space built, over 90 percent in Nampa. The retailers included Wal-Mart, Sam's Club, Costco, Target, Best Buy, Petco, Old Navy and Michael's, among others.
- Alternate Energy Holdings Inc. has proposed building a nuclear power plant near Bruneau in Owyhee County. The proposed facility is a 1,500-megawatt light water reactor.
- The Boise area's cost of living declined again in November, falling 1.8 percent, according to the Wells Fargo Boise Area Cost of Living Index. This follows the September-to-October decline of 0.7 percent. A dramatic drop in fuel prices, 11 percent during November, was a major factor. (See cost-of-living article on page 4.)
- The city of Nampa recently approved a new urban renewal district, smaller than the one that expired in 2004 and with a limited list of things it will provide. The district is expected to help pay for a new police station, a new library, installation of services to a new industrial park and improvements to Nampa-Caldwell and Franklin boulevards.
- Image National Sign is moving its factory to Nampa from Boise on Star Road. Image makes electronic signs for large retailers. When it opens, the company's new facility will employ approximately 100 workers.
- Building permits for single family homes in the city of Caldwell through November 2006 were running 25 percent above year-ago levels. From January through November 2005, Caldwell had issued 899 permits for single family homes. In 2006, that number had risen to 1,121. In addition, 4,392 residential lots were approved for development from January through November 2006, nearly double the 2,200 the year before.
- Now that the new Karcher Road interchange project is complete in Nampa, work has begun on a large project in Caldwell. More than doubling the size of the Franklin Road Interchange just a few miles to the west will cost \$25 million. The narrow two-lane bridge crossing the freeway will be expanded to six lanes, and the on and off ramps will be widened to accommodate the increased traffic that Caldwell has experienced in recent years. The Franklin Road interchange improvements are expected to be finished by fall 2008.
- The city of Meridian will also benefit from a new interstate road project. Utilities are being relocated

around Locust Grove Road to prepare for the construction of a new freeway overpass at a cost of about \$6 million. The actual road work is scheduled to start this spring and be completed in spring 2008.

- Micron Technology recently purchased part of another company with operations in Oregon, Washington, California and Malaysia. For approximately \$53 million, Micron acquired the image sensor division of Avago Technologies and added 90 more employees to the Micron payroll although these employees won't be moving to Idaho.

#### **Elmore County**

- The Marathon Cheese plant located in Mountain Home is now up and running but not yet at full capacity. Marathon began receiving shipments of cheese blocks in mid January. Hundreds of applicants sought jobs at the plant. Within three years Marathon Cheese expects to employ around 600 workers.

- Elmore County recently enacted a temporary moratorium on planned unit developments, giving commissioners time to review the county's zoning laws and gear up for anticipated growth in the coming years.

#### **Payette County**

- Payette County commissioners are moving forward on the county's proposed ethanol plant. A preliminary feasibility study is under way to examine operating costs, projected income and potential ethanol markets. County commissioners estimate the ethanol plant will employ about 50 people at an average salary of \$16 per hour. Commissioners also expect the facility to bring \$8 into the county for every \$1 in ethanol produced.

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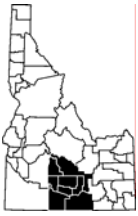
## **IDAHO FACTS . .**

### **A Healthy and Diversified Economy**

- Idaho's personal income increased nearly 16 percent between 2003 and 2005, ranking third nationally. (U.S. Bureau of Economic Analysis, 4/2006)
- Idaho exports increased 55 percent in value between 2003 and 2005, ranking seventh nationally in percentage growth. Idaho's top exports include high-tech, food and agriculture and wood and building materials. (U.S. Census Bureau)
- Idaho exports set a record for the first half of 2006 of nearly \$1.8 billion. China, including Hong Kong, and Canada are Idaho's largest markets for international trade. (U.S. Census Bureau)
- Idaho's gross state product grew at over 18 percent when adjusted for inflation between 2003 and 2005 to rank first in the nation. Inflation-adjusted growth ranked first in 2004 and fourth in 2005. (U.S. Bureau of Economic Analysis, 6/2006)
- Idaho's growth rate in nonfarm payroll jobs ranked fourth nationally between 2002 and 2005 and from 2004 to 2005. (U.S. Bureau of Labor Statistics)
- Idaho's nonfarm payroll jobs increased by a greater percentage than any other state between second quarter 2005 and second quarter 2006. The rate was just over 5.1 percent. (U.S. Bureau of Labor Statistics, 7/2006)
- Idaho is number one in the nation in the production of potatoes, trout and winter peas. The state ranks in the top 10 in 22 other products. (U.S. Department of Agriculture)
- Idaho ranks first nationally in manufacturing investment. (Corporation for Enterprise Development, 2006 Development Report Card for the States)
- Idaho ranked first nationally in the percentage growth of in new companies. (Corporation for Enterprise Development, 2006)
- Idaho ranked seventh nationally with a 25 percent increase in the value added by manufacturing in the latest Annual Survey of Manufactures. (U.S. Census Bureau)

*For more facts about Idaho, visit the Web site at <http://brand.idaho.gov>.*





# South Central Idaho News

BLAINE, CAMAS, CASSIA, GOODING, JEROME, LINCOLN, MINIDOKA & TWIN FALLS COUNTIES

## JAN ROESER NAMED NEW REGIONAL ECONOMIST FOR SOUTH CENTRAL IDAHO

Jan Roeser, a bilingual unemployment insurance claims adjudicator in Twin Falls, is the new regional economist for south central Idaho.



Jan Roeser

Roeser succeeds Greg Rogers, who died in November after a brief illness. Rogers, 47, had been the regional economist since 1999.

Roeser has been in the Idaho Commerce & Labor Twin Falls office for the past three years after taking a 10-year break from the workplace to raise her two daughters.

Prior to that, she was a manager for the PERSI Commercial Mortgage portfolio with a Boise firm, and she spent over two years in Belize as a Peace Corps volunteer working with other agencies in rural economic development.

An Idaho native, Roeser attended Gonzaga University before graduating from Boise State University with a bachelor's degree in business. She had a special emphasis in behavioral management and was a participant in the Boise Metro Chamber of Commerce's Leadership Boise program.

South Central Idaho Table 1: Twin Falls-Jerome MicSA Labor Force & Employment—Twin Falls and Jerome counties

	Nov 2006*	Oct 2006	Nov 2005	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	50,260	50,130	47,770	0.3	5.2
Unemployment	1,460	1,440	1,570	1.4	-7.0
% of Labor Force Unemployed	2.9	2.9	3.3		
Total Employment	48,800	48,690	46,200	0.2	5.6
<i>Unadjusted</i>					
Civilian Labor Force	50,410	50,590	47,920	-0.4	5.2
Unemployment	1,390	1,160	1,470	19.8	-5.4
% of Labor Force Unemployed	2.8	2.3	3.1		
Total Employment	49,020	49,430	46,450	-0.8	5.5
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs**</b>	40,510	40,420	38,540	0.2	5.1
<i>Goods-Providing Industries</i>	7,190	7,380	6,520	-2.6	10.3
Natural Resources & Mining	40	40	30	0.0	33.3
Construction	2,500	2,530	2,070	-1.2	20.8
Manufacturing	4,650	4,810	4,420	-3.3	5.2
Food Manufacturing	2,470	2,620	2,460	-5.7	0.4
Other Manufacturing	2,180	2,190	1,960	-0.5	11.2
<i>Service-Providing Industries</i>	33,320	33,040	32,020	0.8	4.1
Trade, Transportation & Utilities	10,370	10,270	9,860	1.0	5.2
Wholesale Trade	1,840	1,880	1,800	-2.1	2.2
Retail Trade	6,090	5,960	5,730	2.2	6.3
Utilities	170	170	150	0.0	13.3
Transportation & Warehousing	2,270	2,260	2,180	0.4	4.1
Information	620	600	620	3.3	0.0
Financial Activities	1,660	1,660	1,730	0.0	-4.0
Professional & Business Services	5,220	5,030	5,100	3.8	2.4
Educational & Health Services	3,500	3,520	3,380	-0.6	3.6
Leisure & Hospitality	3,200	3,230	2,930	-0.9	9.2
Other Services	1,420	1,430	1,350	-0.7	5.2
Government Education	3,360	3,310	3,280	1.5	2.4
Government Administration	3,970	3,990	3,770	-0.5	5.3

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month





# Southeastern Idaho News

BANNOCK, BEAR LAKE, BINGHAM, CARIBOU, FRANKLIN, ONEIDA & POWER COUNTIES

## ECONOMIC TRENDS:

The Pocatello Metropolitan Statistical Area's seasonally adjusted unemployment rate for November bumped up from 3.4 percent to 3.6 percent, as cold weather forced construction and related industries to curtail operations for the winter. The increase represents 80 fewer workers in the area labor pool. Typically, job losses are in goods-producing industries at this time of year. However, there were 340 more construction workers employed this November than a year earlier. Service-sector jobs were fewer in November than October, primarily a result of telemarketing contract completions and completion of some government administration jobs. Most of the telemarketing contracts will likely be renewed. Employment was up in the retail sector as holiday hiring began.

Jobs in the area increased by 1,200 since November 2005, and December forecasts appear to indicate the trend should continue.

## SPECIAL TOPIC: Minimum Wage

On a recent trip which took me through Vernal, Utah, I noticed many establishments had posted help wanted signs. Service was slow at the café where I stopped for lunch because the business was short of help. The hostess apologized for the long wait and told me she had been in the kitchen washing dishes. She went on to say there were not enough workers in the area willing to work for wage being offered. Minimum wage in Utah is the same as the federal minimum wage, \$5.15 an hour, though most business have to pay at least \$7 an hour to attract workers. It appears therefore that \$7 is the real minimum wage for that area. What is the real minimum wage where you live?

Idaho's minimum wage mirrors the federal \$5.15 an hour, established in 1997. An inflation calculator shows that \$5.15 is worth only \$4.09 today, or it would take \$6.47 today to buy the same

Southeastern Idaho Table 1: Pocatello MSA Labor Force & Employment Bannock and Power counties

	Nov 2006*	Oct 2006	Nov 2005	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	45,660	45,630	45,370	0.1	0.6
Unemployment	1,640	1,560	1,540	5.1	6.5
% of Labor Force Unemployed	3.6	3.4	3.4		
Total Employment	44,020	44,070	43,830	-0.1	0.4
<i>Unadjusted</i>					
Civilian Labor Force	45,950	45,570	44,880	0.8	2.4
Unemployment	1,310	1,400	1,330	-6.4	-1.5
% of Labor Force Unemployed	2.9	3.1	3.0		
Total Employment	44,640	44,170	43,550	1.1	2.5
<b>JOBS BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	40,750	40,840	39,550	-0.2	3.0
<i>Goods-Producing Industries</i>	6,190	6,190	5,720	0.0	8.2
Natural Resources & Mining	30	30	30	0.0	0.0
Construction	2,680	2,760	2,340	-2.9	14.5
Manufacturing	3,480	3,400	3,350	2.4	3.9
Food Manufacturing	1,110	1,130	980	-1.8	13.3
Fabricated Metal Product Manufacturing	170	170	150	0.0	13.3
Machinery Manufacturing	200	210	110	-4.8	81.8
Other Manufacturing	2,000	1,890	2,110	5.8	-5.2
<i>Service-Providing Industries</i>	34,560	34,650	33,830	-0.3	2.2
Trade, Transportation & Utilities	7,880	7,720	7,640	2.1	3.1
Wholesale Trade	1,400	1,400	1,330	0.0	5.3
Retail Trade	5,000	4,840	4,800	3.3	4.2
Utilities	50	50	40	0.0	25.0
Transportation & Warehousing	1,430	1,450	1,470	-1.4	-2.7
Information	770	770	710	0.0	8.5
Financial Activities	2,170	2,170	2,100	0.0	3.3
Professional & Business Services	5,200	5,300	4,920	-1.9	5.7
Educational & Health Services	3,480	3,480	3,410	0.0	2.1
Leisure & Hospitality	3,270	3,270	3,420	0.0	-4.4
Other Services	1,260	1,220	1,180	3.3	6.8
Government Education	6,080	6,100	6,100	-0.3	-0.3
Government Administration	4,450	4,620	4,350	-3.7	2.3

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

items that cost \$5.15 in 1997. That makes today's minimum wage the lowest in terms of buying power since 1949. The highest minimum wage ever in terms of buying power was \$1.60 an hour in 1968. The equivalent of that minimum wage would be \$9.29 an hour today.

In the Pocatello Metropolitan Statistical Area, the real minimum wage is about a dollar higher than \$5.15, based on local newspaper want ads in the last month. Only one employer offered less than \$6 an hour, but the job included a fringe benefit which would most likely push the wage value above \$6. Fast food businesses are offering \$6.50 to \$7 an hour, call centers are posting jobs beginning at \$8 an hour, delivery driver jobs

are listed at \$7 to \$7.50 per hour, and housekeeper positions start at \$7 an hour at a local assisted living center.

Jobs listed with the Pocatello and Blackfoot local Idaho Commerce & Labor offices that offer pay from \$5.15 to \$6.15 an hour are not getting filled quickly or have high turnover.

Idaho Commerce & Labor's 2005 minimum wage study, updated in August 2006, found 86.6 percent of Idaho jobs pay more than \$7.25 an hour. The 2005 study showed 7.5 percent of jobs in eastern Idaho paid less than \$6.15, the highest percentage of the four regions identified in the study. That percentage most likely has dropped in the 14 months since the 2005 study as the labor pool has tightened and so many employers in that area are paying \$6.50 and more an hour. Southeastern Idaho Table 2 shows the entry wage for lower paying jobs in the Pocatello Metropolitan Statistical Area for the last three years. March 2006 is the date used for wage data in 2006 and wages may have increased even since then.

The legal minimum wage in Idaho may still be \$5.15 an hour, but the real minimum wage is determined by a worker's abilities and the laws of supply and demand. In southeastern Idaho, the real minimum wage is around \$6.15 an hour.

which will offer old-fashioned shaves with straight razors and hot towels. Sippers is a coffee shop offering a wide assortment of Treasure Valley coffees and specialty drinks.

- Pocatello has been selected from three Idaho sites for a large-scale manufacturer. Hoku Scientific plans to build a polysilicon producing plant and solar panel fabricating operation. The initial phase of the operation could result in more than 200 good-paying jobs after the construction of a facility estimated to cost more than \$200 million. Bannock County Development Corp. and local officials are working closely with Hoku Scientific management.
- Portneuf Medical Center and Idaho State University are revamping an agreement that will increase medical training opportunities for students attending the university. In addition to collaboration among the more than 20 medical programs offered at the school, the new agreement includes minor adjustments to ensure the infrastructure is in place to accommodate growth in those programs.
- Child advocacy center Bright Tomorrows is planning to build a new 3,500-square-foot building at the corner of Walnut and Washington. The center provides a safe and non-threatening environment for child victims of violence and sexual abuse. The new facility includes space for physical examinations. Currently, the victims have to be shuttled to a medical facility for the examinations. Local contractors, with cooperation from the city, will help keep the cost for the new center at around \$150,000. The city of Pocatello is contributing \$25,000, and Bill Isley of Tuscany Builders will donate up to \$50,000 to match other donations.

#### Franklin and Oneida Counties

- The spirit of cooperation between Franklin County and Cache County, Utah, has gotten a boost with the new Cache Valley Regional Council. The group hopes to streamline agreements and coalitions that affect the entire Cache Valley. In the past year, the two counties jointly participated in mutual aid agreements, the Sunday Spotlight, Cache Valley Fire Public Education Coalition, a joint sewer needs study and a plan for controlling noxious weeds. The council was instrumental in establishing temporary bus service between the Logan, Utah, and Preston, Idaho, in an effort to reduce pollution in the valley.
- Franklin County Medical Center officials and the Preston City Council may have to decide between two locations for a new hospital if voters approve a \$15 million bond issue. Two plots of land have

**Southeastern Idaho Table 2: Entry Hourly Wages in Pocatello MSA.**

	2004	2005	2006
<b>Avg. for all occupations</b>	<b>\$7.13</b>	<b>\$7.18</b>	<b>\$7.49</b>
<b>Home Healthcare Aide</b>	6.67	7.20	7.57
<b>Social Service Assistants</b>	6.71	8.07	8.83
<b>Child Care Worker</b>	6.14	6.04	6.16
<b>Retail Cashier</b>	6.29	6.22	6.12
<b>File Clerk</b>	6.20	6.27	7.37
<b>Food Service Worker</b>	6.10	5.88	6.01
<b>Material Mover Laborer</b>	6.69	6.91	6.79
<b>Grounds Maintenance</b>	7.56	8.64	8.54
<b>Janitors and Cleaner</b>	6.30	6.51	7.08
<b>Bookkeeper</b>	8.06	8.21	8.61
<b>Construction Labor</b>	7.33	7.28	8.21

#### COUNTY REPORTS:

##### Bannock County

- Health West is opening a clinic in McCammon in late January in a portion of the Big Store on Center Street. Health West is a federally-funded, nonprofit organization that provides primary care and preventative medical services.
- Bobby D's and Sunrise Sippers recently opened for business in a long-vacant building, formerly operated as Tom's Gyros. Bobby D's is a barbershop

been donated for the proposed hospital. One site is large enough but needs water and sewer infrastructure. The other is not large enough but has sewer and water. The bond needs two-thirds approval.

- Franklin County commissioners voted 2-1 to allow retailers to sell wine, but stopped short of approving consumption on retailer premises, including restaurants. Franklin County had been one of only two counties in Idaho that did not allow the sale of wine in retail establishments. Local retailers believe the decision may boost sales to a small degree and hope it will encourage residents to shop locally rather than traveling to Logan, Utah, or Pocatello.
- Cache Valley's only multi-doctor optometry practice, Eye Care for You, has moved to a larger office in Preston and offers diagnostic procedures that have not been available locally until now. The practice is staffed by three doctors and six office workers. The move included an upgrade of all equipment. A hearing specialist may be added in the future. The practice, owned by Dr. Phil Cromwell, is located in the Legacy Plaza in Preston.
- The pioneer towns of Chesterfield and Franklin were among 34 recipients of grants from the Idaho Heritage Trust. Chesterfield will use its \$6,000 to purchase property in the rural town. Franklin County intends to use its \$10,000 award to help fund restoration of Relic Hall.
- Oneida County Hospital Chief of Staff Stephen Johnson received national recognition from the American Academy of Family Physicians as one of the top five rural family doctors in the nation. Dr. Johnson has managed health care clinics in Downey and was the driving force behind the establishment of the Curlew Valley Medical Clinic.
- Kathy Ray of Malad was named the executive director of the Four County Alliance in southeastern Idaho. She replaces Richard Westerberg, who resigned when he was elected Franklin County commissioner in November. Ray is an experienced grant writer and has spent most of her life in southeastern Idaho. For the past 12 years she has managed the Malad City/Oneida County Economic Development Foundation and has been doing post graduate work through the Northwest Community Development Institute.
- Twin Lakes Canal Co. wants to build a dam on the Oneida Narrows stretch of the Bear River. The company recently filed a notice of intent with the Federal Energy Regulatory Commission, proposing to flood 4.6 miles on the river to create a reservoir for irrigation and power generation. The proposal was narrowly defeated by an advisory vote — 52 percent

against and 48 percent in favor — during November's general election. But canal company officials did not think the vote differential was significant enough to halt plans for construction of the dam. PacifiCorp and many conservation groups in the area believe the dam is unnecessary and have petitioned the commission to hear their concerns.

### **Caribou County**

- A new \$100,000 therapy pool located in the Dredge Rehabilitation Clinic opened in early December. The pool was built with a treadmill in the floor and an adjustable current along with easy access for disabled users. The pool will also be used for senior arthritic classes.
- Caribou County has developed a comprehensive plan for emergency management operations. The first priority is to provide basic life safety. Other priorities include minimizing property damage, coordinating recovery and returning to normalcy after dealing with an emergency. The mayors of Soda Springs, Grace and Bancroft have all signed off on the plan. County commissioners are encouraging all citizens to become informed about the emergency response plan and be prepared to do their part.
- Soda Springs city officials plan to apply for a \$50,000 Land and Water Conservation fund matching grant to replace outdoor lighting at Kelly Park. The estimated cost is \$100,000. The city is able to provide the other \$50,000.
- The Idaho Public Utilities Commission approved a change in rate agreement between PacifiCorp and customers in southeastern Idaho. PacifiCorp operates in eastern Idaho as Rocky Mountain Power and serves about 64,000 Idaho customers. The agreement will increase annual revenue to PacifiCorp by 5.1 percent or \$8.4 million. Residential rates will not be changed but irrigators will see a 5 percent increase, some of which may be refunded at the end of the year to those who participate in the company's load control program. Additionally, two large industrial customers, Monsanto Co. and Agrium, will also have rate increases. Monsanto is PacifiCorp's largest customer in its six-state area and will see a 16.5 percent rate increase plus an increase in the hours service can be interrupted. Agrium agreed to a 4 percent increase.

### **Bear Lake County**

- The Montpelier City Council approved pursuing sewer line easements and property annexation for a new industrial park. The city was awarded a Rural Community Block Grant through Idaho Commerce & Labor to fund part of the project. The city will match the grant by doing the sewer and water line installation

work. The estimated cost for materials and engineering services is \$162,000.

- The city of Montpelier is considering a community review, coordinated by the Idaho Rural Partnership. The review involves a team of community development professionals from throughout the state who visit a city, meet with many community representatives for a few days and then offer objective perspectives of how the community could bolster its action plans to execute and complete community development strategies.

Dale Dixon, the partnership's executive director, said the review is needed to open the doors for grants, which require information only such a review can provide. The city of Montpelier recently was named a Certified Gem Community. More information about Gem communities is at [community.idaho.gov/gem\\_communities](http://community.idaho.gov/gem_communities).

- Bear Lake County commissioners are working with public building planner Reed Miller to develop a proposal for a combined courthouse-jail building. The proposal calls for beds and living accommodations for 50 prisoners, offices for law enforcement personnel, courtrooms and judge's chambers.
- The Montpelier Parks and Recreation Committee is teaming up with Enough is Enough Drug Coalition to sponsor a large-scale men's basketball tournament in March, offering \$1,500 in prize money. The group hopes the tournament will attract 30 to 40 teams, which could give a boost to local eateries and motels. The parks and recreation group offers other activities this winter such as classes on how to use eBay on the Internet, tutoring sessions and basketball and volleyball leagues.

#### **Power and Bingham Counties**

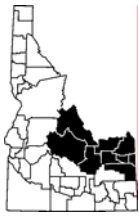
- The Great Rift Business Development Organization in Aberdeen has formalized its tax-exempt status, approved a new logo, established a budget for the coming year and reviewed applications for executive director. The organization's key focus is business retention.
- Ron Manchester recently opened the Academy of Mixed Martial Arts in Aberdeen. Manchester has been practicing martial arts for 23 years and has developed his own style, a modification of his military style training. Manchester will continue to operate a similar school in Montpelier with the help of one of his students.
- Local machine manufacturer Double L Manufacturing was recently purchased by a group of shareholders, who then hired Kelly Duffin as a direct sales representative. For the past several years the company

has sold primarily to retailers, but plans to open up sales to individuals who can buy directly from the company. The company expects this move to result in greater manufacturing efficiencies, less inventory build up and expansion of international sales.

- Brandon Bird, executive director of Bingham Economic Development Corp., was named one of Idaho's Brightest Stars by former Governor Jim Risch. The award is the result of four years of successful economic activity in Bingham County, including the recruiting of Premier Technology, partnering to bring a wind farm to the Wolverine Creek area and acquiring many façade improvements grants in the Blackfoot and Shelley areas.
- Premier Technology has moved into its new 100,000-square-foot, \$7 million headquarters on schedule. In addition to a larger manufacturing area, the building has office space for 65 engineers, designers and staff.
- The Bingham County Planning and Zoning Commission approved a 45-lot subdivision, Sharlyn Park, within the Groveland city limit to be built by Fairchild Construction. Fairchild also was approved to build Lavaside, a five-lot subdivision and Riverbend Estates with 26 lots. Developer Charles Johnson was approved to build a 10-lot North Star subdivision.
- Idaho Parks and Recreation Department's Rick Just recently held public information meetings in eastern Idaho to discuss developing the Rising River site between Blackfoot and Firth into a state park. A level one environmental assessment is currently under way, and the selection also needs legislative approval.
- The Firth City Council appointed Councilman Gary White to head a planning group to develop a city zoning committee. The planning group will include two members outside of the city limits to represent concerns of people living in the city's impact area. The council also reviewed plans from Harper-Leavitt Engineering of Blackfoot for a proposed walkway around Firth. The city was awarded a \$50,000 grant to study the condition and adequacy of roads in Firth.
- Blackfoot residents are applauding the opening of a new upscale restaurant, PBG's. Owners Les Sorensen, Shane Gifford and Gary Gifford hired Chef Derek Johnson, who promises to offer the freshest seafood in eastern Idaho. The restaurant also offers steak and salads.

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# East Central Idaho News

BONNEVILLE, BUTTE, CLARK, CUSTER, FREMONT, JEFFERSON, LEMHI, MADISON & TETON COUNTIES

## ECONOMIC TRENDS

The November unemployment rate for the Idaho Falls Metropolitan Statistical Area increased two-tenths of a percentage point from October to 2.6 percent as shown in East Central Idaho Table 1. The labor force decreased by 80 while 130 more people were unemployed. Construction decreases added to the unemployment numbers along with a decline in business support services such as temporary employment agencies, some of which are related to the construction industry. Local government jobs for parks and other land maintenance also decreased. Retail trade was the only industry to show a significant increase over the month in preparation for the holiday season. The unemployment rate was down one-tenth of a percentage point from the same time last year. Idaho Falls, the largest city in the area, had a 2.9 percent unemployment rate in November, the lowest rate of all larger Idaho cities except for Meridian. The Idaho Falls rate was up three-tenths of a percentage point from the previous month but down one-tenth from the previous year.

## SPECIAL TOPIC: City Growth in East Central Idaho

From 2004 to 2005, Idaho's population grew by almost 34,000. From 2005 to 2006, it grew an additional 37,000, placing it third in percentage growth in the nation. While county population for 2006 is not available yet, the 2005 figures show population in the nine counties of east central Idaho grew by almost 4,000 from 2004.

Rexburg and Ammon alone accounted for almost 3,000 of that. Other cities that grew by over 100 people for the year included Idaho Falls, Rigby and Victor. A look at percentage growth shows that Victor and Ammon added the most at 12.9 percent and 12 percent, respectively. Rigby came in next at 7.5 percent, and Rexburg followed at 6.2 percent.

East Central Idaho Table 1: Idaho Falls MSA Labor Force & Employment  
Bonneville and Jefferson counties

	Nov 2006*	Oct 2006	Nov 2005	% Change From	
				Last Month	Last Year
<b>INDIVIDUALS BY PLACE OF RESIDENCE</b>					
<i>Seasonally Adjusted</i>					
Civilian Labor Force	61,550	61,630	60,160	-0.1	2.3
Unemployment	1,630	1,500	1,650	8.7	-1.2
% of Labor Force Unemployed	2.6%	2.4%	2.7%		
Total Employment	59,930	60,130	58,500	-0.3	2.4
<i>Unadjusted</i>					
Civilian Labor Force	61,700	61,870	60,320	-0.3	2.3
Unemployment	1,460	1,220	1,470	19.7	-0.7
% of Labor Force Unemployed	2.4%	2.0%	2.4%		
Total Employment	60,240	60,640	58,860	-0.7	2.3
<b>JOB BY PLACE OF WORK</b>					
<b>Nonfarm Payroll Jobs** - NAICS</b>	54,820	54,810	53,610	0.0	2.3
<i>Goods-Producing Industries</i>	7,760	7,850	7,510	-1.1	3.3
Natural Resources & Mining	10	10	50	0.0	-80.0
Construction	4,410	4,500	4,090	-2.0	7.8
Manufacturing	3,340	3,340	3,370	0.0	-0.9
Food Manufacturing	1,000	980	1,030	2.0	-2.9
Fabricated Metal Product Manufacturing	250	260	260	-3.8	-3.8
Machinery Manufacturing	160	160	150	-0.2	6.7
Other Manufacturing	1,930	1,940	1,930	-0.5	0.0
<i>Service-Providing Industries</i>	47,060	46,960	46,100	0.2	2.1
Trade, Transportation & Utilities	13,880	13,630	13,410	1.8	3.5
Wholesale Trade	4,300	4,290	4,140	0.2	3.9
Retail Trade	7,850	7,600	7,640	3.3	2.7
Utilities	60	60	50	0.0	20.0
Transportation	1,670	1,680	1,580	-0.6	5.7
Information	1,210	1,210	1,180	0.0	2.5
Financial Activities	2,120	2,130	2,120	-0.5	0.0
Professional & Business Services	9,270	9,390	9,380	-1.3	-1.2
Educational & Health Services	7,170	7,140	6,800	0.4	5.4
Leisure & Hospitality	4,310	4,350	4,360	-0.9	-1.1
Other Services	2,010	1,990	2,050	1.0	-2.0
Government Education	3,530	3,470	3,480	1.7	1.4
Government Administration	3,560	3,650	3,320	-2.5	7.2

\*Preliminary Estimate

\*\*Full- or part-time jobs of people who worked for or received wages in the pay period including the 12th of the month

Overall population growth in east central Idaho from Census 2000 through mid-2005 was almost 17,000, 12.5 percent of the state's total growth over that period. Ammon grew the fastest at 76.6 percent followed by Victor at 62.5 percent, Rexburg at 52.2 percent, Sugar City at 19.1 percent and Rigby at 8.2 percent. Of those, the actual increases totaled 14,518. Rexburg had over 9,000 of that increase. Idaho Falls, the largest city in the region, increased by just over 1,600, or 3.2 percent. Total growth in the greater Idaho Falls area — Ammon, Idaho Falls,

Ucon and Iona — was 6,473. The balance of Bonneville County, or areas not part of incorporated city limits, increased by almost 3,000 over the same period.

By population percentage growth from 2004 to 2005 across Idaho, Victor and Ammon came in third and fourth. Meridian was the fastest growing city followed closely by Star, a small city between Boise and Caldwell. From the 2000 Census through mid-2005, Ammon had the second highest percentage growth, Victor claimed third and Rexburg came in sixth. Kuna, just southeast of Nampa, led the state in growth, nearly doubling its population from 2000 to 2005.

## AREA DEVELOPMENTS

### Bonneville County

- Bonneville County was named as one of the 100 Best Communities for Young People by America's Promise Alliance in January. It was chosen from over 1,000 selected communities that applied for the title. The award recognizes that the county has caring adults, safe places and provides a healthy start, effective education and opportunities to help others. The title will grant access to a database of grants, which the community can apply for. Boise, Nampa, Meridian and Clearwater County were other Idaho locations sharing the honor.
- Habitat for Humanity is opening a ReStore in Idaho Falls. The nonprofit organization remodels and builds houses for families in need, and vendors often donate building supplies. Habitat has been selling leftover materials through auctions to help raise funds. But now the organization has opened nearly 500 retail outlets, ReStores, throughout the United States where the leftover building materials are sold. The ReStores also accept donated building materials from other sources.

### Fremont County

- Ashton is preparing for American Dog Derby, the town's 90<sup>th</sup> annual dog race. The first race was March 4, 1917. Although there have been a few years that the race has not been run, the derby has been steady from 1993. At one time in its history, there were up to 10,000 spectators in the Ashton area for the event. This year's race begins at 8:30 a.m. on Feb. 16 in downtown Ashton. Events include a 12-dog race, an 8-dog race, a potluck race, junior race and a celebrity race. On Feb. 17, there will be a mutt race for all dogs and people, a 5-kilometer race, kid's race, a 1-mile snowshoe race and weight pull contests while the second stages of the four main races continue. Along with the races, there will be a clearance sale on leftovers from previous derbies and craft booths. An awards banquet takes place at the Ashton Community Center. More information and history can be found at <http://www.americandogderby.org>.

### Lemhi County

- The Community Youth Center, or The Fortress, in Salmon is remodeling to increase its programs. Originally designed for children from fifth to eighth grades, the center will now expand to include high school students. More classes and more structured activities along with free time will now be offered for a broader age range and for longer hours. Kim Campbell is the center's new program director, and a program committee is being formed to help in the new expansion.

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## WEB SITE PACKED WITH LABOR MARKET RESOURCES

Idaho's Labor Market Information Web site — <http://lmi.idaho.gov> — is a key source for economic information about Idaho and how it compares to the U.S. on a variety of topics. The Web site has proven essential to businesses, students, job seekers, economic analysts and others. Find out for yourself.



### IDAHO'S EXPANSIVE GROWTH MAY SLOW TO SUSTAINABLE RATE

There is no question that 2006 was a record year for Idaho. By nearly every measure, Idaho grew faster than the nation and nearly every other state, and there is nothing to say that will not continue to be the case — albeit at a somewhat more reasonable rate.

The Congressional Budget Office sees essentially the same outlook nationally — continued but more moderate, sustainable growth.

December's unemployment rate remained unchanged at 3.3 percent, locking in a record low annual average rate of 3.3 percent — a full half point below the previous record set in 2005. Until this run of 20 straight months of unemployment rates below 4 percent, Idaho had posted rates below 4 percent only twice — 3.9 percent in December 1965 and 3.9 percent again in May 1966.

Idaho's rate has been below the national unemployment rate since October 2001, and that will remain the case for many months to come.

About 23,000 more people were working throughout Idaho last year than in 2005, and since the recovery from the 2001-2002 national recession began, there are 77,000 more workers on the job across the state. Idaho employment has been growing at two to three times the national rate for the past several years.

In 2006, Idaho created jobs faster than every state but Nevada, Arizona and Utah, and those jobs were in nearly every sector of the economy. Nonfarm payrolls were up 6 percent after a 4 percent increase in 2005.

One in 10 of those jobs is linked to exports, which has been climbing steadily — from \$2.3 billion four years ago to nearly \$3.3 billion last year and possibly a record \$3.9 billion this year.

It is no surprise that wood products and food manufacturing saw jobs decline over the past several years. The economics for all the reasons expressed over the years appear to be stacked against them.

Federal government payrolls dropped over 2 percent in the last year. And state government, other than education, was down more than a percentage point.

But those are the only sectors to shrink. There were notable areas of growth.

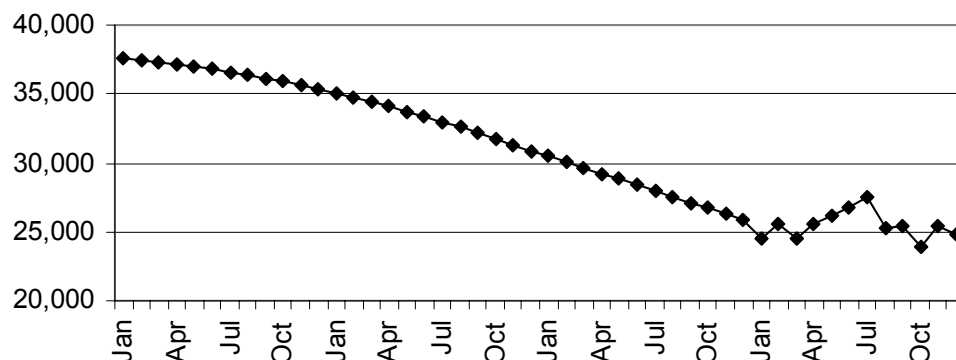
Manufacturing — even with the loss of jobs at the mills and in food processing plants — posted an overall gain in jobs of 6.3 percent in the last two years. That may seem modest compared to other sectors, but it comes when those generally higher-paying jobs fell nearly a half percentage point nationally.

International unrest of recent years has pushed metal prices higher and produced significant gains in mining the past two years — about 25 percent — although employment in that sector is less than half what it was a quarter century ago.

There were significant increases in construction at 17 percent, recreation at 11 percent, financial services including real estate at nearly 7 percent and professional and administrative services at 6 percent.

In the last year — because of construction — four of every 10 new jobs were in the typically

**Idaho's Total Monthly Unemployment  
2003-2006**





better-paying goods-producing sector. In 2005, it was less than three in 10.

The rapidly expanding business sector has been putting pressure on Idaho's labor force for more than a year, and that has begun to push wages higher.

Earnings from Idaho jobs in Fiscal 2006 were up 10.4 percent over 2005 compared to a 7.6 percent increase nationally. Some of that was due to the expanded labor force, but wages are rising as well.

There are businesses in nearly every Idaho community that have help wanted signs posted, especially convenience stores, fast food outlets and smaller retailers. The competition up and down the labor market has intensified. Workers who once occupied those lower-paying jobs have moved up to bigger paychecks, better benefits and more favorable working conditions. To get qualified replacements, these businesses are being forced to pay more or find other incentives to lure workers. The same thing is going on farther up the chain as competition increases for qualified employees in a labor market with an unemployment rate well below the 4 percent economists have traditionally called full employment.

Wages rose in late 2004 when some companies resumed paying year-end bonuses. That was about a 9 percent increase over the average wage the final three months of 2003. But the trend continued into 2005. The average monthly wage at the start of 2005 was about 5 percent above the clustered averages of the previous four years. And then the average continued rising through the summer, up 9 percent ignoring the decline typical for that time of year before drifting back toward the year earlier level as the year ended.

But the trend is there, and seems to have continued through 2006 and will far into 2007. That was indicated by the 4.5 percent increase in the average weekly benefit paid to those who were unemployed last year.

All the activity to this point shows how strong the economy has been so there is some perspective about where it is going.

If anything, the confluence of an ever-tightening labor market and rising wages in response is one reason Idaho is probably nearing the end of an extremely robust growth spurt.

The economy is slowing from its breakneck pace to a more sustainable growth rate – one that will likely be regulated up or down by the future avail-

ability of qualified, skilled workers. Investing in Idaho's work force – like businesses already do every year by earmarking 3 percent of their unemployment insurance taxes for the Workforce Development Training Fund – is essential to meeting expanding business demand.

The signs of moderating growth are increasing.

Initial unemployment claims ran ahead of 2005 levels in October and November. For the first time since the recovery began, the number of people collecting unemployment benefits exceeded the year-earlier number in late November and early December.

The number of new hires business made in December was also below December 2005. It was the first month in over a year that occurred. Since 2003 the new hire count has only been below the year-earlier number four times. The next several months will determine if there is a slowing trend in that indicator.

Still, the outlook is strong. Job growth should run over 3 percent through June and just under 3 percent from July through June 2008. The Congressional Budget Office forecasts 1.3 percent growth nationally.

Idaho's average annual wage should rise again in Fiscal 2008 by over 3 percent, more than half a point higher than the anticipated inflation rate for the coming 18 months.

Unemployment will rise but very slowly — a tenth of a percentage point this year to 3.4 percent and another two-tenths in 2008. That will still be over a full percentage point below the national forecast for unemployment. And even at 3.6 percent, Idaho's labor pool will remain tight – the one factor that could crimp further economic expansion.

In the next 18 months, initial unemployment claims, which dropped markedly from 2005 to 2006, will begin edging back toward the 2005 levels. The Unemployment Insurance Trust Fund will remain in solid shape – assuming it will only have to cope with a relatively brief and moderate downturn of nine months or less.

With thousands of new businesses opening in Idaho each of the past several years and all the workers each hires, the overall resilience of the trust fund has not increased. When Idaho was entering the downturn in 2001, the fund balance equaled 2.5 percent of total wages. Today that has dropped to about 1.7 percent, and it will likely fall to 1.5 percent next year. That means the money available to pay benefits is less as a percentage of the potential benefit claims during a severe recession than it was six years ago.



That alone makes it imperative for economic development and work force training specialists at the state and local levels to keep the expansion going.

Idaho Commerce & Labor is currently working on some 20 projects that combined would generate over 2,000 jobs and a billion dollars in capital investment. Because of the confidentiality the companies involved demand, specifics cannot be provided. But in general, these projects include food processing, transportation, high technology, health care and energy.

The national concerns about a crumbling housing market and what that portends for the future should not be dismissed, but the slowing of housing construction in Idaho is not in the same category.

Idaho's housing market may have cooled off, but it is still strong and likely to remain that way. Construction is being driven by population, and by every forecast, Idaho will remain one of the fastest growing states in the nation – doubling, and possibly tripling the national growth rate in some years.

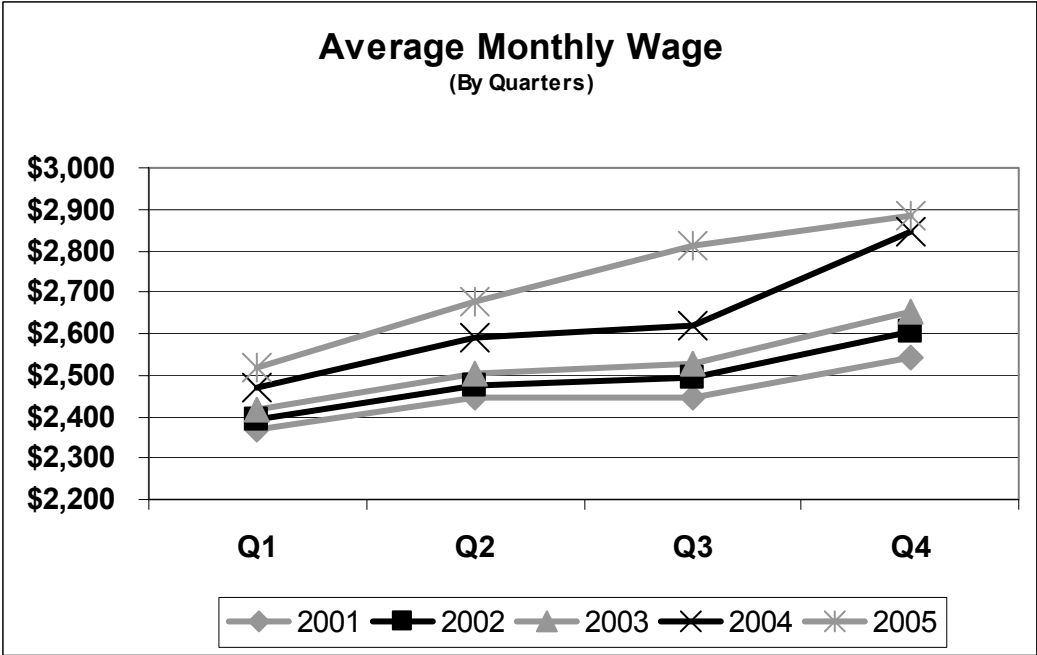
People need houses, builders need workers and eventually, the ever-growing population needs new retail outlets and services – not to mention the factories and offices that open because of the skilled workers a growing population provides.

Over the next 18 months the department projects construction employment will rise although now it's just over 10 percent while the much smaller real estate sector will grow between 2 percent and 3 percent. Financial services will expand at a rate of over 5 percent.

Overall, the economy should keep expanding but not at the dramatic rate of 2006. How close the expansion comes to the experience of 2006 will rest with the availability of skilled labor.

The number of unemployed workers in Idaho dropped steadily from 2003 through 2005 because the economy was generating jobs even faster than the growth in the number of new workers looking for them. But since unemployment has slipped below 3.5 percent of the labor force, the number of unemployed has flattened out, indicating that employers have tapped just about everyone in the available labor pool except the chronically unemployed.

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# Glossary of Labor Market Terms

**Agriculture Employment:** Persons on agriculture payrolls who work or receive pay for any period during the survey week. This includes owners, operators, unpaid family members who work at least 15 hours a week, and hired laborers.

**Average Hourly Earnings/Average Weekly Hours:** The average total money earnings earned by production or non-supervisory workers for selected industries. The average number of hours worked by production or non-supervisory workers including overtime, paid vacation, and sick leave. The data is collected for the week including the 12<sup>th</sup> of the month.

**Average Weekly Earnings:** Average Hourly Earnings multiplied by Average Weekly Hours.

**Civilian Labor Force:** A count of non-institutional persons 16 years of age and over residing within a specific geographic area, excluding members of armed forces, who are classified as employed, unemployed and seeking employment, or involved in a labor dispute.

**Consumer Price Index (CPI):** A national index measuring changes over time in the price of a fixed market basket of goods and services. There are two indexes—the All Urban Consumers (CPI-U) represents the buying habits of about 80 percent of the non-institutional population of the United States, and the Urban Wage & Clerical Workers (CPI-W) represents 40 percent of the population.

**Covered Employers:** Employers who are subject to state and federal Unemployment Insurance laws.

**Durable Goods:** Also known as “hard goods” because they include items manufactured or provided by wholesalers with a normal life expectancy of three years or more.

**Employed:** Individuals, 16 years of age or older, who worked at least 1 hour for pay or profit or worked at least 15 unpaid hours in a family business during the week including the 12<sup>th</sup> day of the month. Individuals are also counted as employed if they had a job but did not work because they were: ill, on vacation, in a labor dispute, prevented from working because of bad weather, or temporarily absent for similar reasons.

**Initial Claim:** Any notice of unemployment filed to request (1) a determination of entitlement to and eligibility for compensation or (2) a second or subsequent period of unemployment within a benefit year or period of eligibility.

**Metropolitan Statistical Areas (MSA):** Combinations of counties in which at least half the residents live in an urban center of 50,000 or more and the rest have significant commuting ties to that central county. The Office of Management and Budget designates the MSAs. Idaho has five MSAs: Boise MSA including Ada, Canyon, Boise, Gem and Owyhee counties; Bonneville MSA including Bonneville and Jefferson counties; Pocatello MSA including Bannock and Power counties; Lewiston MSA including Nez Perce County and Asotin County, Wash.; Coeur d’Alene MSA including Kootenai, Boundary, Bonner, Benewah and Shoshone counties.

**Micropolitan Statistical Area (MicSA):** Combinations of counties in which at least half the residents live in urban

centers totaling at least 10,000—or 5,000 living in a single urban center—and the rest have significant commuting ties to that central county. The Office of Management and Budget designates the MicSAs. Idaho has three MicSAs: Burley MicSA including Cassia and Minidoka counties; Rexburg MicSA including Madison and Fremont counties; Twin Falls MicSA including Twin Falls and Jerome counties.

**Nonfarm Wage & Salary Employment:** Persons on nonfarm establishment payrolls (including employees on paid sick leave, paid holiday, or paid vacation) who work or receive pay for any part of the week including the 12<sup>th</sup> of the month. It is a count of jobs by place of work. It does not include self-employed, unpaid volunteer or family workers, domestic workers in households, military personnel and persons who are laid off, on leave without pay, or on strike for the entire reference period.

**Nondurable Goods:** Also known as “soft goods” because they include items manufactured or provided by wholesalers that generally last for only a short period of time (three years or less).

**Seasonally Adjusted:** Data is seasonally adjusted to remove the impact of regular events that occur at the same time every year such as the effect of cold weather on outdoor activities, the Christmas holiday, or the summer influx of youth into the labor market.

**Small Labor Market Areas (SLMA):** Combinations of counties with significant ties through commuting patterns but no urban centers with populations of 10,000 or more. The Office of Management and Budget designates the SLMAs. Idaho has two SLMAs: Hailey SLMA including Blaine and Camas counties; Grangeville SLMA including Lewis and Idaho counties.

**Unemployed:** Those individuals, 16 years of age or older, who do not have a job but are available for work and actively seeking work during the week including the 12<sup>th</sup> of the month. The only exceptions to these criteria are individuals who are waiting to be recalled from a layoff and individuals waiting to report to a new job within 30 days—these, too, are considered unemployed.

**Unemployment Insurance:** Unemployment Insurance is a program for the accumulation of funds paid by employers, to be used for the payment of Unemployment Insurance to workers during periods of unemployment which are beyond their control.

**Unemployment Rate:** The number of persons unemployed expressed as a percentage of the labor force.

**Weekly Benefit Amount:** The amount payable to a claimant for a compensable week of total unemployment.

**Weeks Claimed:** The number of weeks that unemployed workers claimed Unemployment Insurance benefits.

**Weeks Compensated:** The number of weeks for which compensation was actually paid.